

The pain in Spain Everything goes wrong for Felipé González



Europe's cold war

The ice cream battles of Unilever and Mars



Development at a watershed

FINANCIAL TIMES

Friopers Hosness News Hoe

Trial of 12 Soviet coup leaders set to collapse

The trial of 12 leaders of the attempted Soviet coup in August 1991 seemed set to disintegrate after a judge ordered the dismissal of the prosecuting team for prejudging the outcome by publishing a book about the defendants. Page 20

US rift with allies over Bosnia: The gulf between the US and its major allies on Bosnia was underlined when Warren Christopher, the US secretary of state, said Washington considered it impossible to implement the Vance-Owen peace plan for Bosnia "at the present time". Page 20

Steinkühler urged to quit: German politicians and trade union members called for the resignation of Franz Steinkühler, leader of the IG Metall engineering workers' union, from board memberships for alleged insider dealing in shares in a Daimler-Benz holding company. Page 20; Editorial Comment, Page 19

Sicilian Mafia boss arrested: Italian security forces arrested Nitto Santapaola, the most wanted member of Cosa Nostra, the umbrella organisation of the Sicilian Mafia. Page 20

Fosters expands Into China: A subsidiary of Foster's, the Australian brewer, announced a A\$120m (\$85.7m) joint venture with Huaguang Brewery in Shanghai, as it expands into China, the fastest growing beer market. Page 20

British Airways launched a £442m rights issue after a drop in profits and doubling in deht. Annual pre-tax profits, calculated according to new rules, fell 57 per cent to £185m (\$284.9m), while borrowings rose to £2.453bn. Page 21; Lex, Page 20

Gold price hits **Gold price** 23-month high The gold market frothed \$ per troy ounce up again and in late trading the dollar price in London broke through another psychological barrier to close at \$370.25 a troy ounce, the highest for 23 months. Traders suggested the price was driven up by the momentum of options activity which created great volatility at key

prices. Page 36 Slow train jibe: France's president Prancois Mitterrand mocked Britain for not building a high-speed rail link to the Channel tunnel in

time for next year's opening. Page 2

Japan trade surplus up 44%: Japan's trade surplus last month rose 44 per cent year on year to \$10.25hn as the yen's appreciation led to a sharp increase in the dollar value of exports, while imports remained weak. Page 6

supply technology, equipment and services to the partially completed Temelin nuclear power station in the Czech Republic. Page 8 Saarstahl, the lossmaking German steel group

Westinghouse Electric of the US has finalised

two contracts, worth a total of up to \$400m to

controlled by Usinor-Sacilor of France, filed for bankruptcy after deciding it could no longer sustain heavy losses running at DM30m (\$18.6m) a month.

Volvo, the Swedlsh vehicle group, saw weak markets and higher interest payments lead to an increased loss after financial items of SKr331m (\$45m) in the first quarter, compared with a SKr248m loss in the same 1992 quarter. Page 21

Cambodia factions criticised by UN: The United Nations Transitional Authority in Cambodia criticised factions for not co-operating with UN peacekeepers and warned them not to disrupt oext week's election. Page 7

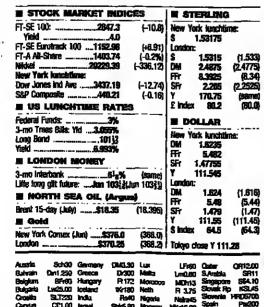
Norway whaling quota: Oslo announced a quota of 296 minke whales this year in defiance of an international eight-year ban, but Japan said it would abide by current rules. Page 2

Honda, the Japanese car manufacturer,

announced a 32 per cent fall in pre-tax profits and warned that results for this year were also likely to show a significant drop. Page 21 Food share prices fall on BSN: Share prices

of leading European food companies fell after BSN, France's largest food manufacturer, said it would cut prices to defend market share. Page 21

Daiwa, Japan's second-largest securities bouse. posted its first loss since 1964 as the country's leading brokers reported weak earnings. But the houses said the three-year collapse of Tokyo stock prices was over. Page 21



Denmark votes Yes to Maastricht

By Hugh Cernegy and Hilary Barnes in Copenhagen and David Gardner in Brussels

DENMARK delivered a decisive vote in favour of the Maastricht treaty on European union last night, according to computer predictions and exit polls broadcast on Danish television.

The result came as a buge relief to European Community leaders as well as to the Danish government. Last June's initial rejection of the treaty by Danish voters threw the EC strategy for closer economic and political union ito serious doubt.

Computer forecasts of the final result, based on 46.7 per cent of votes counted, showed a win for the Yes campaign by 56.8 per cent to 43.2 per cent, overturning the narrow Danish rejection last June. Yesterday, turnout was estimated at 85 per cent, exceed-

ing last year's 83 per cent. The prediction was in line with exit surveys by Gallup published as polls closed, which forecast a 57 per cent to 43 per cent victory for the Yes camp.

Mr Poul Nyrup Rasmussen, the prime minister, claimed victory shortly after the first computer predictions were broadcast, "I am happy that it is such a clear result...it is a very important Yes," he said. Mr Niels Helveg Petersen, foreign minister, proclaimed: "This is good for Denmark and it is good for Europe."

Looking forward to the EC summit in Copenhagen next month, which Denmark will chair as current president of the Community, Mr Helveg Petersen said: "Denmark can speak with greater authority

PAGE 4 Key to unlock community ■ Anti-EC sentiment grows

woman of the anti-treaty June Movement, conceded defeat shortly after the first exit polls, saying: "It's clearly a disappointment. It's a historical decision going the wrong way." But she said the size of the No vote showed that "the people are still divided and parliamentarians must listen to all those people

who voted against the treaty." Mr Jacques Delors, the Euro-pean Commission president, said last night: "This vote can also ity in order to leave behind a period of morosity and inaction, while our continent is shaken by tragic violence, while it faces many internal problems, especially economic stagnation and rising unemployment. For all these reasons, Europe needs a

new impulse. Sir Leon Brittan, EC commissioner for external economic affairs, said: "The Danes have decided after long and detailed analysis that, far from forcing them down the road of an overcentralised and bureaucratic union, the Maastricht treaty will strengthen the ties between European nations without threat-

The Danish government is expected to unveil today a package of economic measures to expand domestic demand and reform the income tax system which it was holding back until sure of a Yes vote.

ening their identity."

policy, community-wide legal and and Finland are currently negotion monetary union, due to start initially urged EC partners to brush aside Denmark's rejection police co-operation and union citof Maastricht, last night welizenship. The Edinburgh agreecomed yesterday's vote. The forment was backed by more than eign ministry, with an eye to 90 per cent of the Folketing, the British ratification, said it was Danish parliament, But oppo-

Maastricht as soon as possible. on the treaty, which itself has The Edinburgh EC summit last December granted Denmark optnot been changed. outs from the treaty's provisions Officials from Norway and Ans-

ating entry to the EC, were relieved by yesterday's result and hopeful that the change of heart among Danish voters would boost waning Euro-enthusiasm in nents argued it was a meaningtheir own countries. less excuse to hold a second poll Mr Henning Christopherson,

the Danish commissioner in charge of economic affairs. stressed the need to get on with next year.

He insisted that Emu and a single currency was still a viable goal by its earliest date in 1997. "I still believe that a majority of the member states could meet the [fiscal and monetary convergence]-criterio," Mr Christopherson said. "A lot can be done within the next three to four



Danish prime minister Poul Nyrup Resnussen talks to journalists after casting his vote in the referendam on the Maastricht treaty

Now the real debate on European union begins

By Lionel Barber in Brussels

DENMARK'S decisive Yes to cal establishments across Europe to breathe a sigh of relief, ending a period in which the European Community has been in suspended animation.

In the UK, the result should tip the scales decisively in favour of Mr John Major as he pushes the Maastricht bill through its final stages in the UK parliament. Barring an upset in the British or German courts, ratification

Yet the Danish Yes is unlikely

to end the crisis of legitimacy and defence policy. surrounding the treaty. When EC A senior Europea point of departure for European political and monetary union; but even the latest Commission polis show public support for European integration is tumbling.

The Danish endorsement does not amount to a true test of public support for European union. The version of Maastricht which Danes approved yesterday contains legally hinding opt-outs on core elements of the treaty, including the single European currency, European cltizenship

A senior European Commission official declares the treaty will

fundamental problems facing the EC such as rising unemployment, low investment, public spending crises in almost all the member states and monetary instability. The Danish Yes should free the

most important to implement

Commission and member states to focus on the Community's pressing challenges: enlargement negotiations with Austria, Finland, Norway, and Sweden; the political and economic integration of the former communist countries of Eastern Europe; and

the issue of European competi- union by 1999 at the latest. tiveness in relation to the US and Asia, itself the subject of an ques Delors, president of the

European Commission. A senior EC official listed several "tests" for the Community in the coming months: making the single market work, including the removal of lingering restrictions on the free movement of EC citizens; concluding the Uruguay Round in the Gatt trade talks; and ensuring stability inside the European exchange rate mechanism so as to maintain the credibility of the EC to monetary may reignite the debate on Euro-

The run-up to European Parliament elections next year is an obvious launch-pad; so too the sense among the European federalists that they no longer need worry about frightening the minimalist Danes or the British as they edge toward ratification. Belgium, which takes over the EC presidency from Denmark on July L is in the lead.

Last weekend, Mr Philippe Maystadt, Belgian foreign minister, came out in favour of

Paradoxically, the Danish Yes tricht "convergence" criteria for member states to move forward to fixed exchange rates but which would alarm the Bundesbank. which has insisted that Maastricht must be respected to the

All this may simply be letting off steam; but it may also suggest that the debate on the future course of the EC may be about to begin. For if Euro-sceptics and Euro-enthusiasts agree on anything, it is that Maastricht settled

D-Mark hit as quieter **ERM looms**

By James Blitz in London

THE PROSPECT of a Danish Yes vote weakened the D-Mark yesterday, as international investors concluded that such a result would significantly ease tensions in the European exchange rate

Several European currencies, including sterling and the lira, enjoyed strong rises against the D-Mark on the prospects that Denmark's ratification of Maastricht would lead to a period of calm in Europe's fixed exchange rate system.

This reversed a trend of recent weeks in which investors, fearful of another Danish No, sought a safe haven against a renewed threat to European economic and mooetary union by buying D-Marks and Swiss francs.

German government bond prices also fell yesterday, to the benefit of Italian and French bonds. In European trading, the pound closed a pfennig higher against the D-Mark at DM2.4875. The lira finished at L909.2 against the D-Mark, up from a previous close of L914.9.

The dollar gained significantly from the D-Mark's weakness, ris-ing more than a pfennig to peak at DM1.6272 in Europe. It later closed in London at DM1.6240.

Currencies, Page 44

Major will aim to complete British ratification by July

By Philip Stephens, Political Editor, in London

MR JOHN MAJOR last night seized on Denmark's endorsement of Maastricht to signal that Britain would now press ahead quickly with ratification of a treaty which has come close to solitting the Conservative party.

The UK prime minister, who has seen his government's authority drained by the bitter struggle over the treaty, voiced bope that his Conservative party would now put its differences behind it. Ministers said the gov-ernment now hoped to complete the tortuous and bitter ratification process before the summer parliamentary recess at the end of July.

Speaking to businessmen last night, Mr Major said that the ending of the uncertainty survide a boost to economic recovery in Britain and in Europe. The Community could now go forward as 12 into the next intergovernmental conference in 1996.

But while his party's European "sceptics" acknowledged that the Danish result had severely dented their hopes of wrecking the agreement, they vowed to continue to fight British ratification in the House of Lords and in

The Maastricht bill will comlete its passage through the House of Commons tomorrow. Despite the threat of a rebellion by 40 or more Conservative Eurosceptics the bill's passage to the House of Lords is guaranteed because of the Labour's party's decision to abstain on the crucial third reading vote.

Lady Thatcher, the former prime minister, and Lord Tebblt, a former cabinet member and Conservative party chairman, will lead another rebellion against the bill in the Lords, but Mr Major is confident they will be unsuccessful. He also expects defeat a legal challenge from the Conservative Euro-sceptics over Britain's opt-out from the social chapter. Senior ministers were acknowl-

edging last night, however, that the wounds in the Tory party by the bitter struggle over the treaty will take years to beal.

The government has already been warned by its supporters that any move to take sterling back into the European exchange rate mechanism - as required under the Maastricht treaty would trigger an even bigger revolt among its supporters.

Better inflation outlook, Page 10

The price may be the same, but the quality isn't. QUALITY QUALITY THE NEW HP DESKJET 510 DOT MATRIX They both cost the same: Yet one is quicker, quieter, better print quality.

Which would you choose Exactly. For infor

© THE FINANCIAL TIMES LIMITED 1993 No 32,066 Week No 20 | LONDON - PARIS - FRANKFURT - NEW YORK - TOKYO

Defiant Oslo A thoroughly modern union man approves whale hunt

By Karen Fossil in Oslo

NORWAY said yesterday it would allow the killing of 296 minke whales this year, in defiance of an eight-year ban. It is prepared for possible sabotage attempts on the whaling fleet. Mr Johan Joergen Holst, for-

eign minister, told parliament that the quota would include 136 whales to be taken for scientific research.

Whalers were disappointed with the quota and some larger vessels might find it uneco nomical to hunt.

"In fixing this year's quotas we have followed the recommendation of the IWC [International Whaling Commission! scientific committee," Mr Holst

Norway had chosen to fix the quota at the lowest level the IWC would have allowed had it followed its own rules. "We wish to demonstrate that Norway is going forward carefully on this issue," be told parlia-

Mr Georg Blitchfeldt, of the pro-whaling High North Alliance, said yesterday ha did not believe commercial whaling could commence before the

beginning of June. He said that quotas for each whaling boat remained to be fixed; the fleet required inspection; and the areas where hunting was to be allowed still had to be decided.

A Foreign Ministry spokes-man said Oslo had fixed a budget of NKr11m (\$1.6m) to cover an information campaign and pro-whaling lobbying activities primarily in Washington, Lon-

don and Bonn. The US Congress is reviewing a proposal calling for limited sanctions against countries which resume commercial whaling in defiance of a 1985 IWC moratorium, reaffirmed

In Reykjavik, Icelandic Fisb-eries Minister Thorsteinn Palsson welcomed Norway's decision, agencies report. "This undoubtedly strength-

radio interview, adding: "I welcome this decision." He said Iceland had not yet moved to resume whale hunting. Although a traditional whaling nation, it stopped the hunt after catching its last

ens our campaign to restart

whaling," Mr Palsson said in a

Last year iceland withdrew from the IWC, complaining that it had become a forum for

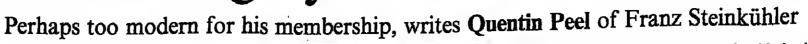
anti-whaling campaigners. The whaling issue is expec-ted to be discussed during a visit hy Norwegian Prime Minister Gro Harlem Brundtland

Robert Thomson adds from Tokyo: The Japanese govern-ment has said it will ahide by the IWC's decision last week to deny it permission to catch 50 wbales in addition to its annual take of about 300 minke whales for "research pur-

Japanese whalers also took 154 whales last year from within the country's territorial waters. With Japanese government approval it can increase that catch without breaching

the IWC's ban. While the government was unhappy with the IWC's decision to extend the moratorium on commercial whaling, it fears an open violation of the commission's rules could lead to criticism from the US gov-

Japan plans to seek IWC approval again next year for a small quota of whales under a "community-based" programme, which was discussed at last week's conference in Kyoto, and then gradually increase the catch in following



E is trim, dapper, fast-talking, and very much the modern trade union man.

He sits on the supervisory boards of three thoroughly blue-chip German companies, Daimler-Benz, Volkswagen and

He wears suits designed by Hugo Boss, and ties from Armani. He is chauffeur-driven to work every day in a Mercedes from his home in the Taunus mountains. where Frankfurt's bankers live, to his offices near the main railway station in the city centre.

He smokes good cigars, and unashamedly enjoys fine food. He earns about DM270,000 (£110,000) a year, and has undoubtedly saved a bit for his old age, like the careful Swa-

He jogs every day, and plays tennis with Mr Edzard Reuter, the chief executive of Daimler and Germany's top industrialist. The two are on familiar terms, calling each other Du. Now it is clear that Mr Franz

Steinkühler, head of IG Metall, the giant engineering workers union and undisputedly Germany's most powerful union leader, is not averse to substantial speculation on the stock exchange. He has admitted buying almost DM1m worth of shares in a Daimler holding company, in a deal which netted him a windfall profit of DM64,000 almost overnight. He may yet prove to



Steinkühler: a reforming figure but with a militant reputation

have been a bit too modern for his membership. For the storm surrounding Mr Steinkühler showed no sign of abating yes-terday. Indeed, it appeared to be gathering strength as trade unionists joined conservative politicians urging him to

resign.
Although he came from the left to take over his union. Mr

Steinkühler has proved to be a reforming figure, respected both in board rooms and the Chancellor's office in Bonn as a man with whom one can do

When Chancellor Helmut Kohl launched his bid to negotiate a "solidarity pact" last year with the opposition Social Democrats, trade unions and

KEY DATES LEADING TO STEINKUHLER'S SHARE WINDFALL

employers, the first man he called in for secret talks was Mr Steinkühler. Once he was persuaded that a deal could and should be done, insiders were convinced Mr Steinkühler would deliver.

The negotiations lasted six months, instead of the 12 weeks intended, but the deal was done. Mr Steinkühler won a promise from the Chancellor that ailing enterprises in east Germany would get a new lease of life.

In exchange he was supposed to have promised pay restraint from his members. The deal has held true in west Germany, hut in the east, Mr Steinkühler promptly led his members out on strike in defence of their deal for rapid wage equalisation.

Mr Kohl got his solidarity

pact on paper. Mr Steinkühler preserved his reputation as a militant.

Yet now the union's hard man looks likely to fall foul of the rash of scandals which has beset the German body politic. There is no doubt he is a

tough negotiator and a hard task-master, even within his own slightly scruffy union office block in Frankfurt. They know him there as "Kaiser Franz", undisputed boss of a highly centralised organisation since 1986, when he took over at the relatively young age - for a union leader - of 49. He was always dismissive of

those who would criticise his

enjoyment of good food and the good life. "When people talk like that, I always ask if they know anyone who likes to eat badly," he said in an interview. "Of course I like eating well, and I would rather drive a fast car than an old banger. So would most people, I imagine."

His immediate response to the latest accusations of insider-dealing in the shares of Mercedes Holding was typical. He came straight out, admitted the deal, but denied insider knowledge. The shares were moving, and it was a perfectly normal deal, he declared.

In spite of the recognition that German trade union leaders are well paid, and that they move in top business circles on the supervisory boards of all the main industrial companies, the revelation that Mr Steinkühler was able to come up with almost DMim for the deal is proving hard for most of his members to swallow.

Yet they also believe that it is a classic right-wing coup against a modern left-wing leader. Somebody leaked pre-cise details of share-dealings carried out by Mr Steinkühler's bank on his behalf. Nobody disputes the figures.

The question is can he switch the blame on to some unspecified conservative plot against the workers, or has he exhausted the sympathy of his own members by behaving too much like the very capitalists he was elected to fight?

Kohl set to reopen Turkish wounds

Bosi chall

hr K

By John Murray Brown in Ankara

TURKEY'S often fraught relations with Germany start afresh today with the visit to Ankara of German Chancellor Helmnt Kohl.

The visit coincides with a period of considerable political change. Mr Suleyman Demirel has just been installed as pres-ident and the search for his replacement as prime minister, and perhaps a new coalition government, is barely under way.

In a row last year over the use of German military aid in Turkey's fight against Kurdish rebels, the late President Turgut Ozal outraged German opinion when he compared the polices of Mr Kohl with those of "Hitler's Germany".

There remains a residual resentment of Bonn's sometimes high-handed attitude. bnt no Turkish administration can afford to ignore Germany, Turkey's most important trade

and investment partner. Germany is also a leading aid donor, and has provided DM6bn (£2.4bn) in military assistance either bilaterally under Nato programmes, or as part of the "cascade" effect foiiowing Conventional Forces in Europe (CFE) arms reductions.

If relations are strained today it will partly reflect realisation on both sides that special economic ties have changed.

With the challenges of reunification, German assistance is expected to tail off. Direct military aid to Turkey, together with Portugal and Greece, has already stopped, while remit-tances from Turkish workers a vital part of balance of payments, at about \$2.1bn (£1.36bn) in 1992 - have peaked.

The labour issue is at the centre of Turkey's problems with Germany. Many Turks believe it is the main reason for German opposition to Tur-key's bid to be a full member of the EC.

Instead of furthering these European ambitions, the presence of the guest workers or Gasterbeiter has merely underlined the fact, for many Germans at least, of Turkey's differences in religion and

There is a programme to key's Emlak Bank arranged for mortgages in Germany to be transferred and the switching of social security dnes was guaranteed.

Lump snm payments were also used as inducement, with little success. Germany's Kreditanstalt für Wiederaufbau, the official aid arm, then launched a cheap loan programme with an Interest rate of 3 per cent over 40 years for Gasterbeiter setting np busi-

However, many of the businesses were unable to survive once the subsidies ran out. Moreover, much of the funding was diverted into "Turkey's extended family network". The loan programme has been

are often immense. "We have a generation whn do not speak good Turkish or good German. We are dealing here with a problem of identity." says Mr Midhat Seref, head of the overseas workers department

Mr Kobl coincides with the trial of two right-wing activists charged with killing three Turks in a firebomb attack in Möelln last November.

Many Turkish officials hope

the tragedy will lead to a rethink of Germany's immigration policy.

THE FINANCIAL TIMES
Published by The Financial Times
(Burope) GmbH, Nibelungenplatz 3,
6000 Frankfirst am Main 1, Germany.
Telephone 49 69 156 850, Fax 4969
9964481, Telex 416193. Represented by
Edward Hugo, Managing Director.
Printer: DVM Druck-Vertrieb und
Marketing GmbH, Admiral-RosendahStrasse 3s, 6078 Neu-Isenburg 4 (owned
by Hürriyet International).
Responsible Editor: Richard Lambert,
clo The Financial Times Limited,
Number One Southwark Bridge,
London SEI 9HL, UK, Shareholders of
the Financial Times (Europe) GmbH
are: The Financial Times (Europe) Ltd,
Lundan und F.T. [Germany
Advertising) Ltd, London. Shareholder
of the above mentioned two companies
is: The Financial Times Limited,
Number One Sonthwark Bridge,
London SEI 9HL, The Company is
incorporated under the Laws of England
and Wales, Chairman; D.C.M. Bell
FRANCE
Publishing Director: J. Rolley, 168 Rae
de Rivoli, F-75044 Paris Cedex 01.
Telephone (01) 4297-0621, Fax (01)
4297-0629. Printer: SA. Nord Eelsir,
15521; Rue de Carie, F-59100 Roobsist
Cedex 1. Editor: Richard Lambert.
ISSN: ISSN: 1148-2753. Commission
Partiaire No 67808D.

DENMARK
Financial Times (Scandinavia) Ltd.
Vianneliskafted 42A. DK-1161

Financial Times (Scandinavia) Ltd. Vimmelskafted 42A, DK-1161 Copenhagenk, Telephone 33 13 44 41, Fax 33 93 53 35.

shares dropping from 25.52 per cent on March 22 to 19.79 per cent on the morning

CHRONOLOGY of Mr Franz Steinkühler's

CHRONOLOGY of Mr Franz Steinkühler's share purchases.

December 1975. Mercedes Holding (MAH) is founded to prevent the Flick family selling the bulk of its 39 per cent shareholding in Daimler-Benz to the Shah of Iran. The holding company acquires just over 25 per cent of Daimler shares. Shares in MAH are quoted but half are owned by companies and financial institutions loyal to Daimler management. Between 1975 and 1992 MAH has no Between 1975 and 1992 MAH has no function but to own shares in Daimler, and shareholders receive the same dividend as Daimler shareholders. But Mercedes shares stand at a discount of 20-30 per cent to Daimler.

December 18, 1992. MAH annual

meeting In Frankfurt, Prof Ekkehard Wenger, the mayerick professor of business studies at Wirzburg University and one of Germany's leading shareholder activists, forces shareholders to vote on a motion calling for abolition of MAH.

a motion calling for abolition of Mark.

Shareholders vote 99.9 per cent in favour of preserving the status quo.

December 22, 1992. A leading article in the Börsenzeitung, Germany's most authoritative financial newspaper, says MAH is no longer justified. But in the absence of concrete plans to get rid of

the structure, the huge discount to Daimler shares remains.

• March - April 1993, Mr Steinkühler huys 2,100 MAH shares for almost DM1m (£400,000).

 March 24. Daimler announces it will seek a share listing in the US by the end of the year, MAH's share price starts to rise, with the discount to Daimler

March 22 to 19.79 per cent on the morning of April 2.

April 1-2. Daimler supervisory board meets, attended by Mr Steinkühler, a board member for 15 years. Dissolution of MAH agreed - US investors do not approve of such anti-takeover devices and MAH complicates Daimler's plans to hold a large rights issue. On April 1 Mr Steinkühler buys half his shares.

Friday, April 2. Daimler announces that MAH is to be dissolved. In late trading MAH jumps DMS4.50 to close

at DM575. Shares climb higher on Monday as the discount disappears: MAH shares are to be exchanged for Daimler shares later this year.

April - May. Mr Steinkühler - with other members of the Daimler supervisory board - is interviewed by officials from the Insider Dealing Commission of the Frankfurt Stock Exchange. They are investigating circumstances behind the rise in MAH's share price prior to the April 2 announcement.

rise in MAH's snare price prior to the April 2 announcement.

• May 17. Story of Steinkühler share purchases breaks, based on documents leaked to Stern magazine from the Stuttgart branch of the BiG Bank, the former trade union bank,

Compiled by David Waller

(£620m) business centre, and

even touting itself as a rival to

Lyons for the French site of

the mooted European central

According to Mr Bruno Bon-

duelle, a leading Lille business-

man, the city has within a

radius of 250km, stretching to

southeast England, Belgium,

the Netherlands and the Paris

area, "80m of the richest people

on the planet". Amiens to the

west, and Valenciennes to the

east, complain, however, that

the shortest routes to Calais and Brussels lie through their

cities, not through Lille whose

mayor, Mr Pierre Mauroy, they claim, used the political pull as

a former socialist prime minis-

The opening took place, how-

ever, against a background of

Liberals shake up Austrian politics

By Eric Frey in Vienna

THE surprise showing by a new liberal party in Austria's regional elections has altered the political landscape. The Liberal Forum, which split from the right-wing Freedom Party (FPOe) early this year, gained 5.1 per cent of the vote and three seats in the province of Lower Austria in its first try at the polls.

The result reinforced the erosion of support for the two largest parties, the conservative People's Party (OeVP) and the Social Democratic Party (SPOe). The OeVP won 44.1 per cent of the vote, down 3.4 percentage points, which cost it the absolute majority in the regional parliament it had held for 48 years. The SPOe, at 34 per cent, was down by a similar margin.
The result was a personal tri-

umph for Ms Heide Schmidt, founder of the Liberal Forum, who, with four other members of parliament, left the FPOe in protest against the rightward tilt engineered by its populist chairman, Mr Jörg Haider.

The FPOe also gained in Lower Austria but because of the competition its 12 per cent share fell well short of recent results in other regions. Operating with little money, no grass-roots organisation and with few prominent names other than Ms Schmidt, the Liberal Forum also surpassed the more established Greens, who fell short of the 4 per cent needed to gain a seat.

The fledgling party is now in a strong position to benefit from growing disillusionment with the SPOe and the OeVP, which bave dominated Austrian politics since the second world war and are currently governing in a grand coalition.

The appearance of the party has also added to the fragmentation of political life, making the country harder to govern than in the stable two-party system of the past. Ms Schmidt has not presented a detailed party programme, but in public statements she has supported membership of the European Community and more radical free-market policies.

Ever since Ms Schmidt left the FPOe following its controversial anti-foreigner drive, Mr Haider's popularity has declined. He has become increasingly isolated. The Liberal International has effectively expelled the FPOe and is now poised to accept the Liberal Forum as a member.



French President François Mitterrand at the controls of the TGV on its inaugural Paris-Lille run

Mitterrand mocks UK as new TGV link opens

By David Buchan in Paris

François PRESIDENT Mitterrand yesterday inaugu rated the extension of the TGV (troin à grande vitesse) high-speed link from Paris to Lille, the first leg of the high-speed rail network that is to extend to London and Brussels by the mid-1990s.

In a mocking reference to the British for not yet deciding on a high-speed link on its side of the channel, Mr Mitterrand said: "They will race at great pace across the plains of northern France, race through the tunnel on a fast track and then be abla to daydream at very low spead, admiring the (English) landscape and the countryside... until the day when someone over there in London decides to harmonise the way of doing things between the continent and the island." he said.

The British government only recently decided to huild a fast



track from London to the timnel and it has yet to approve the route because of likely protests from people living in southeast England. On the French side, Lille is

expecting the TGV to turn it from a decaying industrial backwater into an important European regional centre. It is integrating its TGV station

complaints by rail users about the higher fares (ranging from

ter to win the route.

FFr207 to FFr481 for a round trip) they will have to pay to help recoup the FFr18.5bn cost.

French minister praises political ties with London

By David Buchan

THE UK government's drive to forge closer ties with its fellow conservatives in France won reciprocation yesterday from Mr Alain Juppé, France's foreign minister, who halled "the excellent climate" that had been achieved in Anglo-French relations In

the past two months. In an interview published in yesterday's Le Figaro, Mr Juppe said France's relationship with Britain was "not an alternative, but a complement to" its compact

with Germany. The Bonn-Paris relationship was the European Community's main motor, but not the sole one. The minister said as the EC grew, it would have to let certain members take the lead in certain areas. A Community of 15 or 17 members "will not be able to do everything all together", he said.

He added that it was obvious "France, Germany and Britain have a special responsibility for security". In

France and Britain to the fact they were "old and great powers" whose permanent membership of the United Nations Security Council gave them a special role.

Kuchma argues strong executive rule would arrest economic decline

Ukraine PM demands new powers

But this has been cemented by very close co-ordination between the two

general terms, Mr Juppé attributed

the identity of interest between

Douglas Hurd, the UK foreign secretary, was the first minister Mr Juppé met after he assumed office.

Meanwhile, the British prime minister, Mr John Major, is to visit Paris before the end of this month - one of the first foreign leaders to call on the

Romania's steel workers join strike

TENS of thousands of Romanian steel workers entered the second day of a strike yesterday, demanding pay increases to match price rises, Reuter reports from Bucharest. "Around 30,000 workers are now on strike and all our union members are ready to stop work this week if we fail to reach an agreement with our employers," said Mr Ioan Homos, leader of the Metarom

Metarom claims to have 90,000 members, or some 70 per cent of the workforce in the steel industry. Workers in the non-ferrous sector, including the country's big aluminium smelters, were affiliated to a separate trade union and had not joined the stoppage so far, Mr Homos said.

trade union.

Metarom wanted a minimum monthly wage of 50,000 lei (£52.50) for skilled workers compared with the current average of 34,000 lei. Yesterday workers In the big steel plants of Hunedoara. Calan, Otelul Rosu and Easteel also joined the strike. The prime minister, Mr Nicolae Vacaroiu, has appointed a

Metarom's claims. Earlier this month Romania's big trade unions, comprising more than 6m workers, won pay concessions from the government after threatening a strike. The government agreed to raise public sector minimum monthly wages to 30,000 lei from 17,600 lei.

team of negotiators to discuss

Prices for heating, bread, milk, butter, water, energy and public transport are expected to rise by up to 800 per cent now that price controls have been lifted since May 1. Bread prices have already risen by ran out yesterday. The prime minister asked the legislature not only to extend but to expand the government's authority, arguing that It Mr Kuchma appears likely would be possible to arrest to be granted the extra

In a tough address to the legislature, the prime minister called for an extension of the government's authority to rule the economy by decree; for control over the central bank. the state privatisation body and the state anti-monopoly commission; and for direct jurisdiction over presidential representatives who have executive power in Ukraine's ernment officials, is expected regions. He wants the extraordinary powers to be granted

By Chrystia Freeland in Klev

UKRAINIAN Prime Minister

Leonid Kuchma yesterday

powers ovar the economy to

push through the country's

stalled market reforms.

asked parliament for expanded

for a year. For the past six months the government has had the authority to rule the economy by decree, but those powers controversial Strategic Arms reform, small and medium-

'It is not the fault, but rather the tragedy, of the National Bank that it cannot resist the pressure of factory directors'

Ukraine's economic decline only through "strong executive Parliament, which spent the day debating the proposals and hearing reports from other gov-

to decide by the end of the In what promises to be one of the most critical weeks in Ukrainian politics, the legislature is also due to debate the

powers he is seeking. Ha has the backing of the other two top figures in Ukrainian politics, President Leonid Kravchuk, scheduled to address parliament today, and Mr Ivan Pliushch, chairman of

Reduction Treaty (Start 1).

Although the Ukrainian

legislature is dominated by

conservative ex-communists.

the legislature. In his address, Mr Kuchma who has threatened to resign if he is not given the additional powers, outilned the government's goals on agrarian

sized privatisation, liberalisation of foreign trade, monetary reform and the creation of a social safety net. He accused the National

Bank, which issued 1,230hn coupons worth of credits at the end of March which triggered a 50 per cent devaluation in the Ukrainian currency, of undermining the government's reform efforts. "It is not the fault, but rather the tragedy, of the National Bank that it cannot

resist the pressure of factory directors," Mr Kuchma said. "Our central bank sometimes behaves as though it were a charity." In defence of his policies, Mr Viktor iushchenko, bank chairman, said parliament and the

government often forced tha

bank to issue credits. He also

announced a jump in interest

rates to 240 per cent a year.

Brussel

nesses in Turkey.

cancelled. For those who have returned the problems of adjustment

at the Turkish Labour Minis-Today's three-day visit by

Bosnia plan championed by Kozyrev

MR Andrei Kozyrev, Russian foreign minister, yesterday met Serbian, Croatian and Bosnian leaders in an attempt to promote Moscow's proposal for a step hy-step implementation of the Vance-Owen peace plan for Bosnia-Hercegovina

in an apparent reference to US criticism and Washington's refusal to attend a proposed UN Security Council session, Mr Kozyrev went out of his way to defend the plan to divide Bosnia into 10 provinces along ethnic lines.

A better alternative to the Vance-Owen plan simply doesn't exist...it would be a continuation of bloodshed," he

On arriving in Belgrade for talks with Serbian President Slohodan Milosevic and his Yugoslav and Montenegrin counterparts, Mr Kozyrev described their support for the plan as more important than its rejection by Bosnian Serbs in their weekend referendum.

The foreign minister tried to play down a rift with the US over the plan, saying that he and Mr Warren Christopher, US secretary of state, were in close contact and that it was no more than "a difference in timing" over when the Security Council should meet to discuss the latest Russian pro-

Earlier yesterday Mr Kozyrev met Mr Alija Izetbegovic, the Moslem president of Bosnia, and Mr Franjo Tudjman, the Croatian president, in Split on the Adriatic coast. Talks centred on ways to hroker a lasting ceasefire between the Croats and Moslems, formerly allies, in Mostar, southThe Russian delegation said it had gained the approval of Mr Tudjman for the deployment of international monitors along the frontier hetween Croatia and Bosnia

Mr Kozyrev said he was unsure whan Mr Milosevic would decide on deployment of monitors on the Serbian-Bosnian border. The Serhian president had previously insisted that this depended on deployment on Croatia's borders with

Lord Owen and Mr Thorvald Stoltenberg, the international mediators, also held talks with the Croatian and Bosnian presidents in Split in an attempt to win their commitment to a lasting ceasefire between Bos-nian Croats and Moslems and a reaffirmation of their endorsement of the peace plan. As the rival presidents traded accusations about who was responsi-hle for the fighting, Lord Owen said: "I am sick and tired of agreements being signed like

He said the former Yugoslav republic could become a Lebanon in Europe, and that fighting would spread beyond its frontiers if Bosnia crumbled into separate ethnic state-

"If Croats and Moslems cannot live together, side by side. there will not be a Bosnia-Hercegovina. There are enough ohstacles from the Serh side already," Lord Owen said.

"There is no way I can imag ine the Moslem population will allow the partition of tha country. They will fight. It will be

"They will go on fighting and fighting and fighting and that contagion will spread to

Allied rift on peace process

THE world's main powers, already in disarray over their Bosnian policy after the recent European tour of Mr Warren Christopher, US Secretary of State, yesterday appeared to ting for a serious rift. The US set the alarm bells

ringing on Monday night by stating that it would not attend a foreign ministers' meeting of the UN Security Council on Friday, as propos That meeting, which will not

now take place, had been called by Mr Andrei Kozyrev, Russian foreign minister, with the specific purpose of discussing the latest Russian propos-als for a stage-by-stage imple-mentation of the Vance-Owen ce plan for Bosnia. Washington's reason: that It

was not yet ready to discuss joint steps by the international community in Bosnia because of continuing differences over what action should be taken, merely underlines the seriousness of the disagreements.



Though nn different from those that existed before Mr Christopher's European tour, they have been reiterated with some precision over the past 48 bours. Deep US scepticism about the workability of the Vance-Owen plan, is coupled with a conviction that some kind of military action against the Bosnian Serbs is nnw

required. This contrasts with the view of the European Community and Russia that the international peace plan must remain the basis of a settlement and that military action would undermine humanitarian relief efforts and endanger European peacekeeping forces

Mr Christopher told the

House of Representatives yesterday that he considered the Vance-Owen plan could not be implemented in its present form, given the Bosnian Serbs opposition to lt. And while the administration had no intention of acting alone, it would continue to press for lifting the arms embargo against the

ment in Brussels that it remained fully committed to the Vance-Owen plan. In the eyes of the US's European allles pressnre should be applied mainly in the form of a complete hlockade of snpplies to the Bosnian Serbs, with the exception of food and

medicines. The EC countries

have been enconraged by the Slobodan Milosevic to seal Serbia's frontier with Bosnia. though it is far from clear how effective the Serbian measures

will be in practice.
The Russians have not spelled out in detail their deas abont a stage-hy-stage implementation of the Vance-Owen plan, which might be impossible to carry ont as long as the fighting continued. But Mr Kozyrev said yesterday that Presidents Franjo Tudj-man of Croatia and Altja Izet-begovic of Bosnia, whom he had seen earlier in the day, had both shown willingness to

implement the peace plan. The French, meanwhile, have taken the Russians at their word, snggesting that both the US and Russia should send ground troops to Bosnia to help protect Moslem safe areas set np by the UN.

Mr Alain Jnppé, fnreign minister, said in an interview that, while France could not provide more than the 5,000 troops it already has in Bosnia, it wanted the big powers to relieve our efforts'

However, the proposal seems most unlikely to get off the ground, given that neither the US nor Russia have shown any inclination to contribute any ground troops.

For the Bosnian Serbs, the

rift between the main members of the Security Council has come as a welcome respite. just as they appeared to have been forced against the wall by international pressures.

Brussels steps up pressure on Italian steel

THE European Commission has stepped up pressure on the Italian government to justify the planned restructuring of Ilva, the state-owned Italian steel company.

Mr Karel Van Miert, EC competition commissioner, has written to Mr Paolo Savona, the Italian industry minister, identifying problems with the latest plan and calling for a rapid response – possibly including drastic capacity cuts.

Separately, the Commission has decided to renounce 40 per cent of its DM175m (£71m) loan to Klöckner-Werke, the troubled German steel and engineering group.

It is now waiting for the German company to sign an agreement to cut this year's production by 20 per cent in crude steel, and from 4.2m tonnes to 3.7m tonnes in bot rolled prod-

Once confirmed, the decision will allow Klöckner, which has been fighting bankruptcy, to go ahead with a debt resched-uling deal involving all its creditors. Commission officials claimed yesterday that the German company's plans were in line with the EC's calls for capacity cuts across the whole Community industry and did not amount to special treatment for Klöckner.

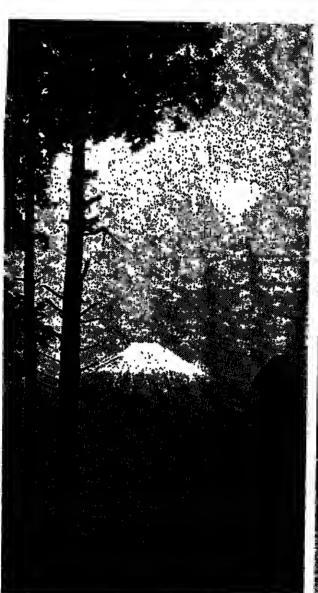
Mr Van Miert's letter to the Italian government is the latest in a tense exchange between Brussels and Rome. Mr Savona wrote to Mr Van Miert after an industry ministers' meeting two weeks ago to voice his concern at the commissioner's analysis of the Ilva plan. Iri, the Italian state holding company, had only submitted the

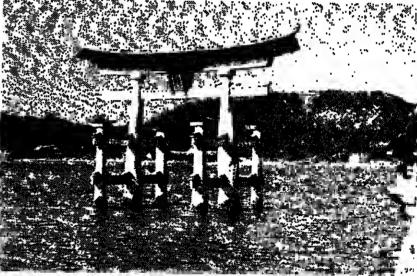
new plan three days earlier. But in his letter Mr Van Miert confirms his original opinion that the Ilva plan involves Ecu4bn (£3.2bn) of state aids. he says such subsidies will have to be accompanied by up to 3m tonnes of capacity cuts, if the plan is to fit into the EC package. The Italian authorities say they are happy to go along with the EC steel plan, but deny that subsidies are involved.

A Commission spokesman said yesterday that the letter was neither a criticism of the Ilva plan, nor an ultimatum, but he added: "It's based on certain observations and a serious analysis. If we don't have quick solution, the whole EC

plan will be in jeopardy." Mr Van Miert wants membe states to decide on a series of controversial aid-and-restruct uring cases involving the Italian, Spanish and east German steel-makers at a special meet ing of industry ministers in

Fly JAL and earn a free trip to Japan. (It's a beautiful place when you're not inside an office.)







The magnificent Mount Fuji.

Like many business travellers, your main sightseeing opportunity in Japan is probably the cab ride

With JAL Mlleage Bank Europe all that could change. Because if you collect enough mileage credits, we'll fly you there free.

between the airport and your hotel.

You could then explore the sacred temples in the mountains round Kyoto, admire the majesty of the snow capped Mount Fuji, or simply relax in the peace of a Shinto shrine. All in your own time.

Once you've seen Japan, you'll probably want to experience as much of the rest of the East as you can. The good news is your trip includes free onward flights to other destinations in Far East and Hawaii.

And the benefits of JMBE don't end there. Clock up enough miles



and you can also earn free European breaks, ticket upgrades and accommodation at selected hotels.

JMBE mileage credits have previously been available on all normal fare First and Executive Class ückets. Now we've extended JMBE to Economy

Some routes - Amsterdam, Berlin, Madrid, Milan, Munich, Rome and Zurich will enjoy double mileage until 31 July 1993.

And as an extra incentive, all passengers joining the scheme before June 30th 1993 will get a further bonus of 5,000 free credits.

For more detailed information call your nearest JAL office.

Polish PM seeks to avert crisis

THE Polish prime minister, Ms Hanna Suchocka, met Solidarity trade union leaders yesterday in an eleventh-bour attempt to prevent a general strike, Renter reports from

The negotiations produced no early sign of a break-through to head off Solidarity's threat to call a nationwide walk-out if the government fails to make a deal with teachers and health workers who are already on strike for more pay. The government has repeatedly said it cannot meet the strikers' pay demands and although one official said the * two sides had agreed to set up a joint team to review some issues, a Solidarity leader said

the talks were "difficult". Ms Suchocka has said she cannot meet the strikers' pay demands because of tight budget restraints under an agreement with the International

Monetary Fund. "If the negoti-ations fail, the union will oblige its parliamentary deputies to file a motion for a [parliamentary] no-confidence vote against the cabinet," the Solidarity chairman, Mr Marian Krzaklewski, said before the

Solidarity's national commis sion is expected to meet today to decide whether to go ahead with a general strike and demand a parliamentary no-

confidence vote. Ms Suchocka called on Monday for a truce with her political rivals to prevent a crisis over the two-week-old wave of

The appeal has so far received a cool reception. Mr Aleksander Kwasniewski, a leader of the Democratic Left Alliance of former communists, said: "The speech resembled a meal that is well presented, but has no taste."

London 071-408 1000 Frankfurt (090) 1360-125 Paris (1) 4455-5585 Copenhagen 33 11 33 00 Amsterdam (020) 626 8541 Zurich (01) 211 15 57 Geneva (022) 731-7160 Madrid (91) 542-0800 Athens 3248211-3 Moscow 921-6648 or 921-6448 Vienna 535-5125 Brussels (92) 649 8580 Mairabi 220591,221737 Cairo 5747293 Tehren 823086-9

WORLD OF COMFORT

Community

Denmark, Ireland and United Kingdom join

European Monetary System (EMS) starts operation,

but goal of European monetary fund unfulfilled

Bountiful EC set to harvest farmers' vote

and Hilary Barnes

THE Danish countryside, bathed in hrilliant sunshine. looked as picture-perfect yesterday as the country's politi-cal parties liked to portray it in their stirring television campaigns for the referendum on the European Community's much-hattered Maastricht

The rolling fields and wood-lands of Sjaelland wore a hundred shades of spring green, splashed with the vivid yellow of oilseed rape, the EC's most fashiooable subsidised crop. Red and white Danish flags flew over many of the typically immaculate farmsteads, not because it was a special day but because it is a popular Nordic custom to fly the national

In fact, if you looked closely, there was a blemish, Here and there, a weed-ridden, untended field testified to that other EC farot policy, the set-aside scheme, which pays farmers not to till some land in an effort to curh overproduction.

Nor are Denmark's farmers as pleased by the prolonged spell of warm weather that has had Copenhagen's street-side cafes and hars overflowing with happy customers this month. The rape crop has grown to only about two-thirds of its normal height at this stage of the season and a repeat threatens of last year's drought hit low harvest.

But in Dalmose, a small farming village 95km southwest of Copenhagen, there was at least anecdotal evidence that neither the recent painful adjustments of the EC's agricultural policies, nor the weather, would break the loyalty of Denmark's farmers to a Community that has been bountiful to them since the In the first referendum last June, when Denmark voted narrowly to reject Maastricht, most farmers voted Yes. Smiling at the suggestion that she had voted No this time, Mrs Karen Petersen, a farmer's widow, replied: "Of course not.

We farmers here will all vote At the polling station in the village school, Mr Niels Pedersen, the official in charge said that hy mid-morning, the numher of those who had already voted was ahead of last year at the same stage, suggesting, he

said, a hig overall turnout. The ballot papers were simple. Startlingly so, given the complexities of the Maastricht treaty itself, and the subsequent "opt-outs" granted to enmark by its EC partners in Edinhurgh last December so that its embarrassed leaders could go back to their people for a second poll.

Voters, who, after two camaigns, were proclaimed credihly enough by Prime Minister Poul Nyrup Rasmussen to be the best informed on the subject in the EC, simply had to place a cross in the Yes or No hox. The only reference to what they were voting on was a notice at the polling station entrance stating blandly that it was a referendum on parliament's approval of "the Edinhurgh decision and the Maastricht treaty".

Most campaign weary Danes, whether they voted Yes or No. must have one thing in common this morning: a heartfelt wish that there will be no more referendums on Europe for a long time to come.

All except the schoolchildren. As most polling stations are in schools, the Maastricht kerfuffle bas to date meant two extra holidays for the majority

Landmarks in European co-operation



Heads of government adopt "Werner plan" for European monetary union but have to abandon it

'Snake' exchange rate mechanism set up as Bretton Woods system begins to break up

What's at stake in the Maastricht treaty



Inter-governmental foreign and security policy "which might in time lead to a common defence"

 European citizenship More extensive social policies (not applied to UK) Central role for principle of subsidiarity idecision-making

Single European Act signed.

Singla market to come into

and Spain Join Community

force January 1993. Portugal

close to the people) Inter-governmental framework for justice and nome affairs Modest increase in powers for European parliament Upgrading of court of auditors

Rome summit: start of intergovernmental talks on European monetary and political union. German unification

Masstricht treaty agreed by member states, sets out timetable for economic and monetary union

Maastricht treaty rejected in Danish referendum by 51 per cent to 49 per cent, but approved in Ireland

Exchange Rate Mechanism turmoil: Italy and United Kingdom suspend membership, raising doubts of ERIM/EMS future

Denmark voted on Maastricht treaty, with opt-out

clauses as agreed at last year's Edinburgh summit

Commitment to economic and monetary union by 1999 for countries which fulfil economic criteria Increased pressure for countries to keep exchange rates stable in the European Monetary

 Cohesion fund to help poorer countries European monetary institute to be set up in 1994 as forerunner to European central bank

Search for key to unlock Community

David Gardner on how last Danish vote has hamstrung Brussels

confidence and activity.

under a self-denying ordinance

since last June. But the second

half of last year was no less

frenetic for that dominated by

crisis maoagement as the

exchange rate mechanism link-

ing EC currencies was sun-

dered by speculators hetting

against the feasibility of the

economic and monetary union

(Emu) plan at the heart of

December's Edinburgh sum-

mit. against heavy odds,

ecured: a deal on an expanded

EC budget; a truce in the

power struggle between Brus-

sels and the larger member

states; and, after all manner of

legal pirouettes, a formula

allowing the Danes to put

Maastricht in a new wrapping

Shortly afterwards, a Com-

mission with seven new faces

among Its 17 members was

named for this year and next -

half the normal term. But

since then it has all but gone

After the marathon of 282

measures needed to create the

single market, a fall-off in leg-

islative output was expected.

But so far this year Brussels

has produced only "communi-

cations" - something between a White Paper and a wish-list -and tinkered with regulations.

Bold amhittons to fill acknowl-

edged gaps in the single mar-

ket, like the liberalisation of

telecommunications, energy

and postal services, have been

watered down and/or pushed

underground.

into the future.

for yesterday's refereodum.

break free from

Danish

vote hy the Danes favour of Maastricht, the European Community faces a struggle to

referendum the sort of Euro-gridlock in which it has been trapped since Denmark first rejected the treaty last June.

So, at least, conclude surprising numbers of top officials in Brussels, who fear that little will be achieved by the new. two-year Commission which started work this January. "We are in the doldrums," says one senior Commission

official, harking back to the fahled "Euro-pessimism" of the 1970s and early 1980s, when the EC was becalmed - until the integrationist winds of the single market programme, the reform of EC finances, and German unification, sped the Community towards the Maastricbt treaty on monetary and political union.

The delays in Denmark and Britain in ratifying Maastricht, plus the constitutional chal-

times with amendments from the European parliament. leage to the treaty in the German courts, have left the EC in "We are simply blocked," a top trouble-shooter at the Commission complained recently. "We can make no

sion president, was lambasted statement or proposal which might in any way affect ratification." He and his colleagues hope a Danish yes will revive parijament in February. Brussels has been operating

national interests. The current Danish presi-

and environmental concerns.

Both these measures are Commission flagsbips, but Brussels has been able to do little more than urge them along, and await the outcome. But there are still other obstacles tightening the Eurogridlock, and hlocking any

The Commission is the legislative engine of the EC, with sole right to propose laws, which then only the council of ministers can decide, some-

When the Commission is hamstrung. so is the Community. Mr Jacques Delors, Commis-

for the anaemia of the Brussels work programme for 1993-94. when he presented it to the

This year's legislative programme is dominated by 194 "pending" measures, long stranded in Council after sharp encounters with intractable

dency of the EC, precisely because of the trouble it has had persuading its voters that the EC can meet their social has been trying to prise free

T t is pushing for agreement next month on: the L European Works Councils directive, blocked by the UK, which would oblige supranational companies to consult their workers on jobs changes, new technology and investment, and relocation decisions: and the carbon/energy tax to combat global warming. The Commission and half the memher states regard the tax (which would rise to \$10 per barrel of oil equivalent by 2000) as indispensable if the EC is to meet its commitment under the Rio Climate Change Convention. This requires it to stahilise carbon dioxide emissions at 1990 levels by 2000. Five more states have grudgingly accepted the principle of a tax, hut Britain remains strongly

quick movement out of it.

This Commission was appointed for two years, in part to synchronise it with elections to the European parliament in June next year. The latter will have the right under Maastricht to screen appointed commissioners formally. The treaty also gives it near equal say with the council in shaping those EC laws which are passed by majority vote among the member states.

The parliament is unwilling to supply its "opinion" - mandatory for all legislation under the consultation procedures for non-single market measures -because once Maastricht is ratified Its legislative clout will increase. At March's council of transport ministers, for fic control, transport infrastructure and trans-European networks all lacked the Strasbourg avis needed for them to go forward. "Why should we play ball now when we can

play with a bigger ball later." said one parliament official However, if the ratification hold up keeps the Commission inert until the end of the year, It will only be a few months after that, probably in April, that MEPs will take to the election hustings, leaving but a hrief window of legislative opportunity. For hy June 1994 at the latest, the Twelve will appoint a successor to Mr Delors, moving an already transitional Commission into the lame duck stage, with some officials predicting the replacement of about twothirds of its members.

ls there a way out of this gridlock? The Commission's recently announced plan for an EC-wide programme to address structural unemployment may be one way forward.

One senior Commission official predicts a leap ahead by Germany, France and the Benelux countries to lock the parities of their currencies soon after ratification. This, he argues, would create a "hard for Emu, which the remaining member states wanting to join it could aim at.

On one thing he is certain: "We need, we must have, a rebound, something solid."

Anti-EC sentiment grows in Norway

NORWEGIAN opposition to membership of the European Community swelled to 51 per cent this month, up 4 points from April, according to an opinion poll published yesterday in the Conservative news. paper Aftenposten.

Uncertainty over the outerendum on the Maastricht treaty was seen hy political analysts as the cause of the

Although Danish approval of the treaty would have little affact on Norwegian public opinion, the analysts said, its rejection would reduce the chances of a Yes vote in Norway's membership referendum, expected in 1995.

The Norwegian electorate narrowly rejected joining the EC in 1972, but Brussels and Oslo began fresh negotiations last month.

Yesterday's poll suggested support for membership had fallen to 30 per cent, from 36 per cent in April, while the proportion of undecided voters had risen to 19 per cent, from 17 per cent.

The survey also revealed that oppositinn was strongest among women, with just 23 per cent in favour, against 39 per cent of men.

The tonghest issues in the current negotiations will be Norway's exclusive right to its rich fishery resources, the role of the state in oil policy, and the extent of participation by state-owned companies in oil and gas licences.

Brussels and Osln are due to begin negotiations on fish this antumn. Mrs Gro Harlem Brundtland, prime minister, recently pointed nut that it was just this issue that left Norway nntside the Commnnity in 1972.

Mrs Brandtland also expressed strong disapproval last week of EC plans to introduce an oil and gas licensing directive at a time when the Norwegian government is struggling to convince a resistant electorate of the benefits

The directive is due to be discussed in Brussels on Jone 25. Mrs Brundtland warned that if it were adopted without Oslo's influence it would have an adverse affect on the outcome of a membership referen-

Danes take Maastricht to court

TWELVE Danes have begun a private legal case to try to block the Maastricht treaty. Reuter reports.

The Copenhagen city court has yet to decide whether to accept the case, which challenges the treaty nn the grounds that it would enable Community law to overrule the Danish constitution.

Mr Poul Nyrup Rasmuss prime minister, said the group 3 had nn case. But the 12 are hnping to delay ratification of the treaty in Denmark and prevent it going into force throughout the EC.

Mr Rasmussen claimed that Maastricht would make "no changes in the relationship EC law". He added: "A ruling from the EC court which conflicts with the Danish constitution is totally improbable."

MAKE SURE YOU UNDERSTAND THE CHANGES AND OPPORTUNITIES IN EASTERN EUROPE

Read the following publications from the Financial Times.

East European Markets • Finance East Europe East European Business Law • East European Insurance Report East European Energy Report

For a FREE sample copy

Please contact: Clare Borrett, Dept. G. Financial Times Newsletters, 126 Jermyn Street, London, SW1Y 4UJ. Tel: (+ 44 71) 411 4414 Fax: (+ 44 711 411 4415.

FINANCIAL TIMES

ess Enterprises Ltd. Registered Office: Number One. Southwark Bridge, London SE1 9HL. England. Registered No. 980898, VAT Registration No. GB 278 5371 21. Registrates we receive, were regionation (see, Oz. 216 2001.2). The information you provide will be held by us and may be used by other select quality studgmones for it.

FINANCIAL TIMES CONFERENCES

NORTH SEA OIL & GAS

London - 7 & 8 June, 1993

This topical conference will review current North Sea exploration and production activity and consider how large and smaller operators view future business prospects in a mature sector. The implications of the proposed PRT changes will also be examined.

Speakers include:

Dr Harold W D Hughes OBE **Director-General UK Offshore Operators**

Dr Christopher E Fay Managing Director Shell UK Exploration and **Production**

Association Limited

Mr Johan Nic. Void **Executive Vice President** Statoil Group

Mr Peter D Gaffney Senior Partner Gaffney, Cline & Associates Ltd

Mr Clive L Jones **Deputy Director General for** Energy, DG XVII Commission of the European Communities

Mr Tim Eggar MP Minister for Energy Department of

Trade and Industry Mr Claude Brice

Managing Director Total Oil Marine plc Mr James Allcock OBE

British Gas plc Mr David Baughen

Deputy Managing Director

AMEC Engineering Limited

Director of Gas Supplies

Mr Robert L Keiser President & Chief **Operating Officer**

Oryx Energy Company

A FINANCIAL TIMES CONFERENCE in association with NORTH SEA LETTER AND EUROPEAN OFFSHORE NEWS

NORTH SEA OIL & GAS

Please send me conference details Please send me details about exhibiting at the cooference

Please send me details on North Sea Letter

A FINANCIAL TIMES CONFERENCE NORTH SEA LETTER AND **EUROPEAN OFFSHORE NEWS**

Financial Times Conference Organisation 102-108 Clerkenwell Road, London ECIM 5SA Tel: 071-814 9770. Tlx. 27347 FTCONF G. Fax: 071-873 3975/3969 Name Mr/Mrs/Ms/Other

Company/Organisation Post Code

on new path

Damian Fraser on making economic reforms stick

decision this week to grant Mexico's central bank autonomy over monetary policy is a historic break with tradition. For the first time in memory, a Mexican president is willingly ceding control over a key instrument of economic policy, not just for himself, but, barring more changes, for his suc-

The immensity of the change has itself bred scepticism, with many doubting that the central bank could withstand presidential pressure in a conflict of wills. But if the bank huckles, it will not be for want of legal backing. The constitutional amendment granting independence, and subsequent regulations governing the constitution, will make the bank as independent as the German Bundesbank or the US Federal Reserve, government ministers

The amendment gives the central bank full antonomy over its credit, meaning that the government cannot borrow from the bank to finance its deficits. It gives the bank a governing body that cannot be easily removed, since board members' terms of office will be staggered, and long (probably six to eight years). The bank will be legally bound to pursue monetary policy congruent with price stability.

in the short term at least the constitutional amendment does not imply significant changes in monetary policy - the administration of President Carlos Salinas has never borrowed money from the central bank. Interest rates are set in the market, by investor demand for government paper, supply of paper in the primary market by the finance ministry, and central bank intervention in the secondary market.

Since the federal government is now running a budget sur-plus, if it does not like the market interest rate for its de need not offer the paper. But were the government having to finance a budget deficit, It would either have to accept the market interest rate on its debt or instruct the central bank to buy through the market government paper at below market rates. This latter move will now be unconstitutional.

In short, the constitutional change will ensure that in the future monetary policy will be independent of fiscal policy -in contrast to the 1970s and 1980s when fiscal indiscipline provoked monetary expansion and Inflation. If the government wants to issue debt it will have to pay the rate the market demands. Monetary policy will thus be geared to price stability and short-term liquidity needs. A problem might arise when

1111

N A country where few if any institutions limit the power of the president, the central bank's commitment to price stability. A government official says that, as in Germany, exchange rate policy would remain the prerogative of the finance ministry, but a regulatory law would be drawn up to decide who had authority over policy areas of common interest to the government and central bank, such as banking

supervision. Nevertheless, if conflicts arose between the central bank lysts doubt that the bank could prevail. Many snpposedly autonomous Mexican institu-tions, such as the Federal Electoral Institute, or the Supreme Court, have rarely exercised independence.

The government says it has chosen to push through the reform now to consolidate the macroeconomic reforms of the past decade and institutional-

Mexico Inflation territor 36 changes

ise the commitment to low inflation, believing central bank independence has to happen after, not before, stabilisation. Inflation has responded to tight monetary policy and fis-cal surpluses, falling from nearly 160 per cent when President Salinas came to power in December 1988 to 10.4 per cent

Uncertainties over both the North American Free Trade Agreement and the race to succeed President Salinas could yet unsettle financial markets and provoke a run on the peso. The autonomy of the central bank is one way of re-assuring such markets that economic policy is not going to change. have the luxury, at the outset, of choosing the head of the central bank and all the other board members - the figure five has been mentioned. There is speculation that Mr Miguel Mancera, who has been head of the central bank since 1982 and who recently turned 60, may

Bank move |Brazil's restless military finds favour

puts Mexico Disillusioned Brazilians question the efficacy of democracy, says Christina Lamb

URING phone-in programmes in the run-up to Brazil's plebcal system, callers would often ask why ditadura, or dictatorship, was not an option. Disillusioned by the failure of the country's politicians to deal with pressing social and eco-nomic problems, Brazilians are increasingly talking of the military as the only way out

The word goine, or coup, is cropping up everywhere from leading newspaper columns to pavement bars. This is a remarkable turnround for a people who only a few months ago were congratulating themselves on the strength of their renascent democracy and the restraint shown by the armed forces over last year's street campaign which helped produce the impeach-ment of President Fernando Collor.

While the Brazilian army is far from sending tanks into the streets, there is undeniable stirring in the ranks - the result of desperation over the squeezed military budget combined with anger at the country's humiliating position as the laggard of the continent.

Senior officers have begun making harely veiled political statements and pointing at Chile in the 1980s and Peru now as examples of how much easier it is to implement reform with an autocratic regime. Last month General Zenildo Lucena, the army minister, warned that Brazil's high levels of social misery were threatening democracy.

In recognition of the gravity of the situation, President Itamar Franco met yesterday with the army chief and three military ministers to hear their grievances, after publicly praising them for "exemplary behaviour in this moment of extreme difficulty".

The meeting follows an inflammatory article by Brigadier Ivan Froto, the airforce commander, in last Thursday's Estado de São Paulo newspaper. Aside from the usual warnings of American designs on the Amazon the article attacked Congress and the executive and described the airforce as going through "the worst crisis in Its history" because of government failure to update equipment and keep



Brazilians are increasingly looking to the military as politicians fail to deal with social and economic problems

salaries abreast of inflation. So strapped for cash are the forces that men doing national service are sent home on Thursday nights for the weekend to save electricity. Wages are so low that it is common to see junior officers hitchiking back to bar-

racks and many sergeants have two

jobs, working off-duty as mechanics.

But perhaps the real problem is the failure of the military to find a role eight years after the 21-year period during which it ran the country. Brazil has no serious territorial disputes and the high command has been reluctant to involve its men in activities such as combating drug-trafficking for fear of them being corrupted. At the same time their collective pride has been burt by seeing Brazil,

stantly referred to as dragging down the continent. One officer said: "What particularly rankled was hearing the Clinton administration describe Argentina as a tiger. And Chile - why we export a whole Chilean economy a year." A document has been circulating among officers praising the "sucses" of Peruvian President Alberto Fujimori's government. Mr Fujimori suspended Peru's Congress last year in an "institutional coup".

Moreover the population is increasingly turning on the government and politicians over their failure to combat inflation, poverty, hunger and unemployment. The battered reputation of Congress recently suffered a further blow with the revelation that aid money for alleviating the drought in the north-east was mostly used by congressmen to drill wells on their private estates

President Franco is on his third finance minister in six months and has shown no signs of being able to control Brazil's 1,500 per cent annual inflation. Mr Carlos Castello Branco, a leading commentator, said yesterday that each successive government was worse than the last".

By contrast the military has retained its credibility. Their years in power saw the "Brazilian miracle," with growth rates second only to South Korea and very limited repression in comparison with other Latin American countries.

Mr Antonio Carlos Magalhaes, the influential governor of Bahia, said in a recent interview: "I don't want to be an alarmist but imagine what would

BRAZILIAN negotiators have reached a preliminary accord with commercial creditors over a new balance of deht conversion options in Its "Brady-style" agreement reached in principle last July, according to

bankers, Christina Lamb reports. Creditors have agreed to Brazil's demand to set a maximum of 40 per cent of the \$41bn (£26.6bn) debt for conversion into par bonds and a minimum of 35 per cent into discoun

Par bonds are fully guaranteed for principal and 12 months' interest and are the most expensive instrument for Brazil. Discount bonds are also fully secured but are less attractive to bankers because they carry a 35 per cent discount and pay only mar-ket interest rates, which are at a his-

The next step is for lawyers on both sides to go over the fine print of the debt agreement. Brazil still faces the hurdle of negotiating an accord with the International Monetary Fund to provide money for guaran-

The latest figures show that the total stock of Brazil's foreign com-mercial debt has fallen from \$44bn to \$41bn, partly as a result of payments hnt also because of large purchases of debt titles by Brazilian banks.

happen if the military were to say let's work to reduce inflation. Let's clean up the administration. Let's end unemployment. Let's reduce poverty and inequality. We'll work for this and we want power.' Nobody could be against these aims - it would set public opinion alight."

The sheer scale of Brazil's problems is doubtless a factor discouraging the military from re-entering the political

But the economic crisis is increasingly provoking law and order problems, such as sackings of supermarkets in Rio and a flourishing separatist movement in the south, Mr Villas-Boas Correa, a political analyst, says: "If the crisis starts to explode I can't see the military staying in their barracks watching."

US housing starts rise by 6.7%

Argentina turns down IMF request

country last year, a figure bank can only print local curlikely to be repeated this year. bank can only print local curlikely to be repeated this year.

vertibility law, the central to begin implementing free

By Michael Prowse in

By John Barham and Stephen Fidler in Buenos Aires

ARGENTINA'S central bank

has rejected International Mon-

etary Fund demands that the

government take measures to

curb the heavy inflow of capi-

A Fund mission in Buenos

Aires has expressed concern at

the heavy volumes of capital

flowing into Argentina because

of its economic liberalisation

and strong growth. About \$8bn

in private capital entered the

Washington US housing starts rose 6.7 per cent last month and by 13.2 per cent relative to April last year, indicating that the market is rebounding after severe winter weather hit construction in the in the year to April. But concerns over the vul-Department said yesterday.

will have played their part. President Salinas will also

soon retire, safe in the know-ledge that his long ambition of central bank independence has been obtained.

The figures follow other signs of stronger growth after

ing a 1.2 per cent increase in retail sales between March and April and a modest rise in industrial output last month. The rise in starts was broadly based, affecting all

regions except the mid-west. where they fell fractionally, property including family homes and apartment buildings. Starts in the northeast.

Mr Roque Fernandez, presi-

dent of the independent central bank, said IMF officials had

called on the government to

impose "marginal reserve

requirements to put a limit on

think this is a good idea. If

capital inflows are too great, interest rates will decline suffi-

ciently for [capital] not to

Under Argentina's 1991 con-

apital inflows. We do not

the weak first quarter, includ- the area worst hit by had weather, rose 22.5 per cent between March and April. Building permits - a guide to registered a healthy 5.8 per

cent increase last month. The increase in starts, a volatile monthly series, was reaswho were disturbed by the weakness of the housing market in recent months in spite of

gold, hard currency and a lim-

ited amount of government securities. This means that

capital inflows are immedi-

ately monetised. The monetary

base rose to \$12.2hn in March,

compared with \$9.2bn a year

Economists have warned

that the heavy capital inflows,

Chile, the first Latin country

threaten to stimulate excessive

consumer demand.

Most economists are project-

ing a steady recovery of housfuture construction trends - ing as the summer progresses. Even after last month's increase, starts were still running at an annual rate of 1.09m, 6 per cent below the quarter of last year and lower than would be expected in a

revalued its currency to dis-

courage capital inflows. Argen-

tina's capital inflows are finan-

cing a heavy current account

deficit of \$8bn a year, which is

leading to concern over the sustainability of its reforms.

Mr Fernandez rounded on

the IMF saying. "Either we

believe in market prices or we

do not. It is not consistent to

look for restrictions at a time

when we are integrating

Argentina with the rest of the

LATIN American art bad

> International antiques market. But in New York on Monday night even this sector experienced difficulties. Chris-

tie's auction brought in \$8.25m (£5.4m), but half the 64 lots on offer were unsold. There are still buyers for exceptional works. Rufino Tamayo's vast painting, (almost 4 metres by 14 metres)

can artist. Three other works by Tamayo also sold well. in contrast only four of the nine paintings by the Colombian artist Fernando Botero,

Latin American buyers in retreat

By Antony Thorncroft



been one of the spots during the three-year decline in the

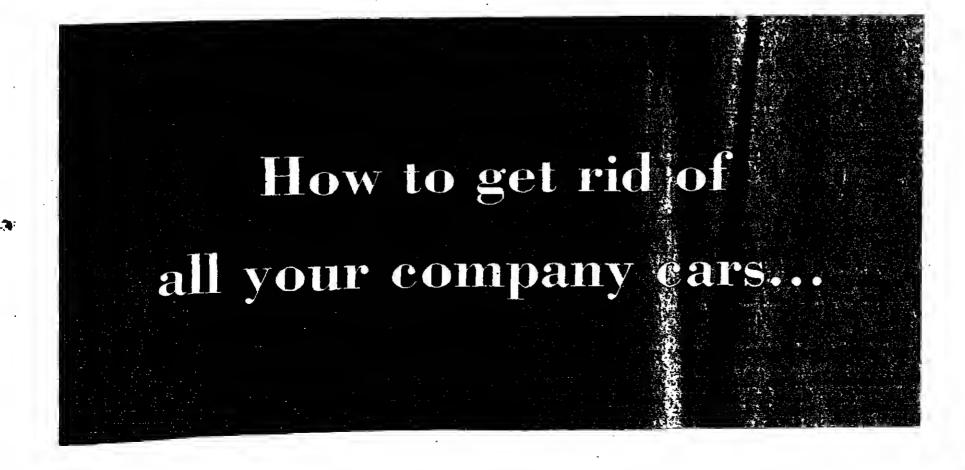
"América", commissioned by the Bank of the Southwest in Houston in 1955, sold for \$2.58m, a record for this Mexi-

famous for his portraits of fat

men and women, found buyers Sentiment was not helped when the painting on the special catalogue of his works was withdrawn as a fake before the huver for "My dress hangs here", a claustrophobic view of Manhattan by the fashionable Frida Kahlo, which was expected to break the \$1m barrier.

The Latin American market is dependent on newly enriched Mexican, Colombian and Venezuelan collectors. The unexpected blip in demand is partly attributable to higher reserves imposed by sellers, and partly to fears about the prospects of their national

Another market which has continued to thrive in the recession is Pre-Columbian art, which started from a low price base. At Sotheby's on Monday an Olmec cylindrical ritual container, dating from the first millennium BC and found at Chalcatzingo in Mexico, sold for \$233,500, an auction record.



It's easy to get rid of company cars. Sell them.

Then lease them back. Or contract hire them. Or contract purchase. Or set up a fixed price managemen

Ah, yes. That's just the problem. How can you be sure to find the best solution for your business? Don't despair.

PHH has the answers. Our vehicle msuagement specialists meel the company car needs of over 14,000 different UK businesses. Some hig. Some small. Some complicated. Some

We can take over the whole fleet, and manage everything. Or just focus on a key problem, like fuel or garage

Every scheme is structured to meet elear objectives, based on a tailormade approach to your business needs. Saves you work. Saves you

We know what we're about: that's why we were voted UK Fleet Management Company of the Year for the third year running in 1993.

The first step is easy. Call 0793 884444 and ask for the free PHH Guide to Vehicle Financing.







to pump...

...your heart races...



...your mouth goes dry...



...you're reading another hard-hitting, tension-filled. brilliantly-crafted thriller from...

Bestselling author of FIREFOX



NEW IN HARDBACK NEW IN PAPERBACK

HarperCollinsPublishers

Japan's trade Strong yen brings surplus rises Japanese little joy 44% to \$10bn Michiyo Nakamota sees no early import boost

By Robert Thomson in Tokyo

JAPAN'S trade surplus last month rose 44 per cent from a year earlier to \$10.25bn (£6.6bn), as the yen's appreciation led to a sharp increase in the dollar value of exports, while imports remained weak.

The surplus with the US rose 22.6 per cent on a year earlier to \$4hn, while the surplus with the EC fell 6.4 per cent to \$2.6bn, mainly because of a 20.4 per cent fall in car exports that accompanied an increase in local production abroad by Jap-

Apart from a 14 per cent appreciation in the yen over the year, the surplus was fuelled by strong demand from Asian economies for Japanese manufactured goods, high-lighted by a 56.3 per cent surge in exports to China.

However, domestic demand for imports has fallen as the economy has slowed, resulting in a 1.7 per cent increase in imports in dollar terms, but, in yen, a 12.3 per cent fall. Mr Geoffrey Barker of Baring Securities said the trend indicates that the economy is bumping along the bottom".

The Ministry of Finance said the seasonally adjusted surplus was \$11.2bn, up from \$9.6bn in March, with exports 3.2 per cent higher at \$31.5bn and imports 2.8 per cent lower at

Exports of ordinary machinery were 15.8 per cent higher, as were those of transport machinery, while those of metallic products, in particular steel, were 15.3 per cent higher, thanks to a trebling of orders Demand from an overheated

Foreign ministers of Argentina and Brazil said vesterday they supported Japan's bld for a permanent seat on the United Nations Security Council as part of overall reform of the council, AP reports from Tokyo. "We told Japan that our countries snpport its membership.., said Mr Fernando Henriqoe Cardoso, Brazil's foreign minister. "We also believe it is important to include

representation from

developing countries,

including Latin America." Chinese economy pushed up Japanese exports remarkably for a range of products. Car exports were six times higher than a year earlier, video camera exports were ten times larger, hus and truck exports were almost four times higher. and chemicals exports more

than doubled. China has become Japan's second largest trading partner, surpassing Taiwan and South Korea and behind only the US, but the rapid increase in exports could create a new area of trade friction. Last month, China had a surplus in bilateral trade of \$272m, but that does not include Japanese exports through Hong Kong, which have also risen sharply.

Meanwhile, Japan's wholesale prices fell 0.5 per cent last month compared to the previous month, and were 2.8 per cent lower than the same month last year, the Bank of Japan said. Bank officials said the decline was because of lower prices for raw materials, made cheaper by the yen's

HE RISE of the yen's value against the dollar has been cited by both Japanese and US officials as a factor that would help stimulate Japanese consumption of imported goods and, in the long run, reduce Japan's \$126bn (£82bn) trade surplus.

But so far, for Japanese corporations and consumers alike, the impact of the yen's appreciation this year has brought little to refrice about.

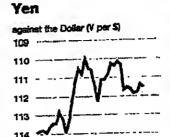
There are only demerits of endaka (the yen's appreciation) but no merits," laments Mr Yasuaki Takano, president of Sanyo Electric, who explains that because utility costs have not come down his company has seen none of the benefits of a higher yen.

In spite of the yen's rapid rise over the past few months, the fact that Japan imports a large proportion of its raw materials and hasic foodstuffs, there is spreading scepticism in Japan whether a higher yen will bring the desired benefits to consumers and importers and eventually help reduce the country's bloated trade surplus.

The yen appreciation has raised calls from industry and consumer associations alike for measures to ensure that the benefits do not disappear in the maze of Japan's complicated distribution system but are passed on fully to endusers and consumers.

The government's Economic Planning Agency has started a survey of imported products to determine whether there is room for price reductions as a result of the yen's rise.

Both the Japan Chamber of Commerce and Industry and the Japan Federation of Employers' Associations are



meanwhile looking into price differentials between Japanese and overseas markets.

While the prices of some imported products have been reduced to reflect the higher yen, the impact of these isolated cases is far outweighed oy the refusal of the utilities, for example, to pass on the benefits. Oil companies said last week they would cut petrol prices. But in spite of calls from industry leaders and consumer groups to reduce their prices, the big electric power and gas companies have been reluctant to do so.

The utilities say that when planning for this year they hased their cost calculations on an oil price of \$16.50 a barrel whereas the price of oil is now about \$18.50 and has recently been higher. They claim further that any benefits of e higher yen are absorbed by the rise in employee and cepital expenditure costs which they must bear regard-

less of the yen's appreciation. While it is still too early to determine the impact of the yen's rise on demand for imports, it is thought that it

cent appreciation of the yen is not likely to have a visible effect," says Mr Takao Komine of the EPA.

A feeling that the yen's appreciation will do little more than stimulate overseas travel is aggravated by a heightened sense that the cost of living in Japan is much higher than that of other countries. The higher yen increases price differentials between Japan and other markets when prices are denominated in ven.

So the price of a pair of jeans in the US at \$50 now appears much cheaper to a Japanese in Tokyo then it did in January at Y111 to the dollar it is only Y5,550 compared with Y6,200 at an exchange rate of Y124 as the year began.

The overall impact is to cre ate the impression that the higher yen has done little to increase consumers' purchasing power at home.

At the same time, experience has shown that a higher yen does not necessarily lead to lower import prices since the difference often gets lost in the high margins claimed by the many intermediaries in Japan's distribution system.

Reform of Japan's convo-Inted distribution system and government regulation of industry would go much futher than a higher yen in reducing the cost of living in Japan, Mr Komine points out. As such, in contrast to a higher yen, it would also help reduce price differentials.

The high cost of building a house in Japan could, for example, be reduced by 30 per cent if the distribution and contracting systems were simplified, the Japan Research

Sri Lanka ruling party wins local polls

By Mervyn de Silva in Colombo

SRI LANKA'S ruling United National party has won the largest number of seats in six of the seven provincial councils in Monday's elections.

In the prestige battle for the island's capital Colombo, how ever, it was beaten by its traditional rival, the Sri Lanka Freedom party of Mrs Sirima Bandaranaike, the former prime minister. The SLFP led a newly

formed left-wing coalition including the communists and the socialists. No polls were held in the war-torn Tamildominated north and east.

Mr Sirisena Cooray, the UNP housing minister, described the national outcome as "a clear vindication" of the programme of President Ranasinghe Premadasa, assassi nated by a Tamil "Tiger" suicide bomber on May 1.

"Mr Premadasa's poverty alleviation programme and his new scheme to open 200 textile factories helped the rural poor and gave new hope to the vil-lage youth," he added. The murder also produced a wave of sympathy for the populist president who spent most of his time in remote rural areas.

Another killing ten days earlier undonbtedly helped the Democratic United National Front to make a spirited debut. Its leader, Mr Lalith Athulathmudali, a former UNP minister, was gunned down when he was addressing an election raily last month.

Mr Athulathmudali and two fellow ministers had been sacked from the government after their attempt to impeach Mr Premadasa proved

UN calls for new priorities in development aid

Gy George Graham

INDUSTRIALISED and developing nations need a new agenda to make sure that development benefits peopla, not governments, according to a United Nations report.

Warning that 90 per cent of the world's people are excluded from participation in the econ-Human Development Report, prepared by economists for the UN Development Programme, calls for development to benefit women, rural dwellers, ethnic minorities and other groups that have been shut

are more than struggles for access to political power. They are struggles for access to the ordinary opportunities of life land, water, work, living space and basic social services," said Mr William Draper, UNDP's administrator, in a foreword to the report.

The report uses a composite index of life expectancy, educatlonal achievement and purlevel of human development in each country, and warns that income levels do not always equate with human develop-"Several countries - such as

oups that have been shut chile, Chile, China, Colombia, Costa Rica, Madagascar, Sri Lanka, "Many of today's struggles Tanzania and Uruguay - have

dooe well in translating their income into the lives of their people: their human develop ment rank is way ahead of their per capita income rank. "Other societies - such as

Algeria, Angola, Gahon, Guinea, Namibia, Saudi Arabia, Senegal, South Africa and United Arab Emirates have income ranks far above their human development potential for improving the lives of their people," the report says.

The report ranks Japan's level of human development highest, ahead of Canada, Norway and Switzerland.

Barbados. Hong Kong and nations merely froze their mili-Cyprus are the highest ranked tary spending at 1990's level,

developing countries.

But adjusting for gender dis-parity pushes Japan down to 17th position because of high maternal mortality rates and wage discrimination.

The report notes that whites in the US would rank first, but that US blacks and Hispanics have lower development rankings than many third world countries, with far worse levels of mortality, edu income than whites.

The report sees some signs of encouragement, however. Global military spending has declined by a cumulative \$240hn (£160bn) since 1987, for example, and if developing

they would release another \$100bn over the next decade. It calls for accelerated disarmament, new patterns of economic development to com-bat the "jobless growth" that

has emerged in recent years,

and a pragmatic middle way

between the advocates of free markets and of state interven-The report calls on industriaaid towards the poorest countries and away from high mili-

tar spenders. Human Development Report: published for UNDP by Oxford University Press, Walton Street, Oxford OX2 6DP, UK; or 2001 Evans Road, Cory NC 27513, USA.



nt Index Source: United Hydom

INVITATION TO BID FOR THE PURCHASE OF A COMPANY DIVISION IN THE COPPER ALLOY AND SEMI-FINISHED PRODUCT SECTOR

NUOVA SAMIM S.p.A., a company with headquarters in Rome, at Piazza L. Cerva 7, with fully paid-in share capital of Italian lire 25,483,000,000, entered at the Home court chancery registry of companies at no. 7461/92, intends to receive and screen bids for the sale to a single party of the following company division:

BRONZE, BRASS, AND COPPER AND COPPER-ALLOY BILLETS for foundries and semi-finished products, with production units at the Pademo Dugnano installation (near Milan), where Nuova Samim conducts other industrial business activities. Nuova Samim's total 1992 turnover in this business was Italian lire 65 billion, with 130 employees.

In the present transaction NUOVA SAMIM has engaged the services of BAN-KERS TRUST COMPANY, which will provide interested companies with additional information on request. Inquines may be addressed to Mr. Pier Maringoni, Bankers Trust Company, Milan Branch Via Turati 16/18, 20121 Milan, Italy; tel. +39/2/63691; Fax +39/2/6369334.

The present invitation for bids is being extended solely to companies with capital of no less than Italian lire 10 billion. Interested companies may make written request (fax accepted) to Bankers Trust Company for a copy of the information memorandum concerning the business for sale.

The information memorandum will be sent to companies the legal representative of which has signed, authenticated and returned to Bankers Trust no later than June 7, 1993, an agreement to maintain confidentiality, together with a copy of the financial statements for the last three years, a description of the business in which they are engaged, and the reasons for the present investment. Intermediaries of whatever kind must disclose the identity of any party they represent.

The present announcement is an invitation to bid but does not represent either a public offering ex Art. 1336 of the Italian Civil Code or a solicitation to public saving ex Art. 1/18 of Italian Law 216/1974. Neither the present invitation nor the receipt of any offers by NUOVA SAMIM will create any obligation or commitment to sell to any bidder nor give any bidder any right to require any performance on the part of NUOVA SAMIM for any reason, including payment of brokerage fees or consulting costs.

The Italian text of the present invitation will have priority over any other version published in foreign languages in newspapers outside Italy. The present invitation and the sales procedure are subject to the laws of Italy.

INVITATION TO BID FOR THE PURCHASE OF A COMPANY DIVISION IN THE COPPER AND COPPER ALLOY TUBE SECTOR

NUOVA SAMIM S.p.A., a company with headquarters in Rome, at Piazza L. Cerva 7, with fully paid-in share capital of Italian lire 25,483,000,000, entered at the Rome court chancery registry of companies at no. 7461/92, intends to receive and screen bids for the sale to a single party of the following company division:

COPPER AND COPPER ALLOY TUBES for desalination plants and air conditioning and refrigeration equipment. The production installation is located in Sulmona, 150 kilometers east of Rome. NUOVA SAMIM is an internationally recognized leader in the condenser tube sector. Total turnover for the business was Italian lire 62 billion in 1992, with 200 employees.

In the present transaction NUOVA SAMIM has engaged the services of BAN-KERS TRUST COMPANY, which will provide interested companies with additional information on request. Inquiries may be addressed to Mr. Pier Maringoni, Bankers Trust Company, Milan Branch Via Turati 16/18, 20121 Milan, Italy; tel. +39/2/63691; Fax +39/2/6369334.

The present invitation for bids is being extended solely to companies with capital of no less than Italian lire 10 billion. Interested companies may make written request (fax accepted) to Bankers Trust Company for a copy of the information memorandum concerning the business for sale.

The information memorandum will be sent to companies the legal representative of which has signed, authenticated and returned to Bankers Trust no later than June 7, 1993, an agreement to maintain confidentiality, together with a copy of the financial statements for the last three years, a description of the business In which they are engaged, and the reasons for the present investment Intermediaries of whatever kind must disclose the identity of any party they represent.

The present announcement is an invitation to bid but does not represent either a public offering ex Art. 1336 of the Italian Civil Code or a solicitation to public saving ex Art. 1/18 of Italian Law 216/1974. Neither the present invitation nor the receipt of any offers by NUOVA SAMIM will create any obligation or commitment to sell to any bidder nor give any bidder any right to require any performance on the part of NUOVA SAMIM for any reason, including payment of brokerage fees or

The Italian text of the present invitation will have priority over any other version published In foreign languages in newspapers outside Italy. The present invitation and the sales procedure are subject to the laws of Italy.

tion when four-fifths of the polling stations are likely to be within artillery

range of a notoriously brutal guerrilla group which has vowed to disrupt the voting would seem like folly any-

An election, however, Is

what the United Nations is

determined to hold in Cam-

bodia from May 23 to May 28,

despite the concern among aenior UN election officials

that Khmer Rouge guerrillas

will attack polling stations

with guns, mortars and small

can hardly have been com-

forted by the announcement

that the US is sending 6,500

flak jackets, 10,000 helmets,

medical supplies and flares for the election workers and moni-

tors, and Australia is providing

six armed Blackhawk helicop-

In Kompong Cham, the most

populous province in Cam-

bodia and one of the richest by

the difficulties facing the UN

Transitional Authority in Cam-

bodia (Untac) as it seeks to

bring peace and democracy to

virtue of its fertile farmland

Nervous Cambodian voters

where else.

In a statement issued in the Cambodian capital Phnom Penh, Mr Akashi condemned an upsurge of violence in recent days, including an artillery attack on Siem Reap airport and the assassination of three elec-

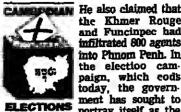
duct of an election we have been hampered by the unco-operativeness and outright hostility of some in the Cambodian parties that signed the Paris agreements." he said.

Mr Akashi'a attack was aimed at the government in Phnom Penh, which has intimidated voters opposition party officials, and at the

"Any armed attack on voters or polling stations will be considered an act of betrayal against the Cambodian people," he said. "I will recommend to the [UN] Security Counthroughout the country and is cil the international community give blamed for the murder of dozens of all support to the new Cambodian

the perpetrators of such crimes." Mr Khieu Kanharith, spokesman for the Phnom Penh administration, meanwhile said the government may not launch an offensive against

Khmer Rouge guerrilla strongholds if it won the election. "If we win, and if the Khmer Rouge stay quiet in their zones, we will not take any military action." he told a news conference. "We have more important things to do."



and Funcinpec had infiltrated 800 agents into Phnom Penh. In the election cam-paign, which eods today, the governportray itself as the

the Khmer Rouge only party which can protect Cambodians from the Khmer Rouge.

boxes MALAWI'S President Kamuzu Banda has pledged to do every-thing in his power to ensure the June 14 referendum on whether the country should switch to multi-party rule is free and fair, Reuter reports

from Blantyre. He announced he had accepted a proposal mooted by the United Nations that there should be a single ballot box at each polling station rather than separate ones for Yes and No votes.

Banda in

backdown

on ballot

Mr Banda's pledge came as Amnesty international said pro-democracy campaigners in the referendum were likely to face attacks, death threats,

arrest and prosecution. "I will do everything to make sure this is a free and fair ref-crendum," the president said. The government had previously insisted that two ballot boxes be used at each polling station, prompting opposition charges that this would make vote-rigging easier.

Pro-democracy activists in Malawi, who had threatened to boycott the referendum if two boxes were used, described Mr Banda's announcement as a "humiliating defeat" for the ruling Malawi Congress party.

Amnesty, a London-based human rights organisation, said in a report that regulations appearing to protect free speech for campaign participants were deeply flawed and meffective.

Those who do speak out for multi-party democracy are likely to face buman rights violations. Unless the government takes urgent steps to guarantee basic human rights, the referendum cannot be considered fair." it said. Amnesty has been refused

access to Malawi, ruled for 29 years by life-President Banda, after alleging serious buman rights abuses there for many

It called on the government to protect the rights of participants in the referendum cam-paign and to release Mr Chakufwa Chihana, a trade unionist serving a nine-month jail sentence for sedition.

tion campaigners, one from the roy-alist party Funcinpec and two from the Buddhist Liberal Democratic disrupt the election scheduled for next week. "In doing our utmost to create and

* Polling stations in the battleground

Victor Mallet

Kompong Cham

neither for more than 20 years

Mekong river, and throughout the country, Khmer Rooge

attacks on Untac and fighting

the pot-holed road between

Phnom Penh and Kompong

Cham is best travelled with an

armed UN escort of Indonesian

troops because of daily killings

and robberies by unidentified

Under the terms of the Paris

peace accord signed by the

four main Cambodian factions in 1991, all soldiers and guerril-

las were supposed to have been

Here on the banks of the

reports from

are all too evident.

the last 10 days.

but the decision by the extreme left-wing Khmer Rouge to flout the agreement means that voters will go to

the polls in the midst of an

unfinished civil war. The fact that the two military protagonists - the Khmer Rouge and the government installed by the Vietnamese invasion which overthrew the Khmer Rouge in 1979 - are both still beavily armed is dan-gerous not only for voters and election workers but also for the credibility of the election

between the Khmer Rouge and the Phnom Penh administration have abated somewhat in On the one side, Cambodian government forces have threat-But most Cambodians and ened to kill people who fail to vote for the government's western diplomats regard it as an ominous hill rather than a Cambodian People's Party; in cause for celebration; and even in this climate of relative calm Kompong Cham province alone at laast 16 opposition campaigners working for the royalist party Funcinpec or for the Buddhist Liberal Democratic Party have been murdered.

On the other side, Khmer Rouge guerrillas - who fear the government will win the election and receive the international recognition withheld for the last 14 years - want to discredit the poll and have threat-



ened to kill those who vote. in many cases UN volunteers working as district electoral supervisors feel they are risking their lives for an election of dubious validity, and 60 out of more than 400 nationwide have resigned since a Japanese volunteer was killed last month.

Security concerns have forced Untac to redoce the number of polling sites in Cambodia to about 1,500 from 2,200. In Kompong Cham province, which will account for 18 of the 120 seats in the new constitu-

the outspoken Canadian who is provincial electoral officer for Kompong Cham. "If you talk to General [John] Sanderson (Untac's military commander) he will say everything is okay. It's not true." Untac has been unable to stop blatant intimidation of voters by the government and has stood by while Khmer Rouge guerrillas expanded the area under their control Last year they were present in four of the province's 16 districts:

ent assembly. UN officials

reckon that only 70 per cent of

the 703,613 registered voters

have a reasonable chance of

"I will not say that condi-

tions are there for free and fair

elections," says Mr Theo Noel.

reaching a polling station.

today they are active in 15. The strongest justification now offered by UN officials and diplomats for pressing ahead with the election is that the alternatives - cancellation or delay - would be worse.

In the words of Mr Noel, it would be "a disaster for the UN and a disaster for Cambodia" to call off the voting. We have no choice," he says. "If we had an alternative l would never say yes to this."



For all the violence, many of the country's 4.8m registered voters still seem keen to vote. They are very scared, but they still want absolutely to go to the election," says Mr Noel, although he acknowledges that

voters will stay away if the Khmer Rouge does decide to attack polling stations. "The bottom line is that if they have the choice between their life and the vote, they will choose

Pressure mounts for Clinton to recognise Angolan government

By Jurek Martin in Washington

THE CLINTON administration is coming under increasing domestic and international pressure to recog-President Jose Eduardo dos Santos. Influential black Americans,

nise the Angolan government of including the Rev Jesse Jackson and Congressman Kweisi Mfume of Maryland who heads the congressio-

nal black cancus, are urging the step to make it clear to Mr Jonas Savimbi and his rebel Unita movement that renewed fighting in

Angola is macceptable to the US. Mr Jackson has urged President **Rill Clinton to invite President Ibra**him Bahangida of Nigeria to Washington to demonstrate the US commitment to democratic reform in Africa. Mr Mfume wants direct talks

with Mr Clinton to emphasise the gravity of several African problems. The case for Angolan recognition, which has strong support inside the State Department, is being given fresh impetus this week by celebrations commemorating the 40th anniversary of the African-American

Institute, a private sector interest Mr Warren Christopher, secretary of state, plans to address the institute, as will President Yoweri Muse-veni of Uganda. It is possible Mr Christopher will use his speech to make a policy statement on Angola.

Mr Savimbl refused to accept the results of last September's elections, narrowly won by Mr Dos Santos, and ordered the civil war renewed. Last week Units rejected the latest peace plan offered by US, Portuguese, Russian and UN negotia-

For many years Mr Savimbi has enjoyed the backing of US conservatives, most conspicuously Senator Jesse Helms, the Republican from North Carolina, who portrayed him as a heroic bulwark against Soviet and Cuban ambitions, Mr Clinton was accused this week by Mr Anthony Lewis, the New York

Times columnist, of refusing to take an initiative in Angola for fear of upsetting Mr Helms and his cohorts. Mr Anthony Lake, national secu-rity adviser, who has been turning his attention to African problems conceded in a recent speech that the US could have reacted more strongly to Mr Savimbi's rejection of last September's election

Our new market

Balance sheet for 1992

Being the only major private bank with its headquarters in Berlin, we have been in a position to take full advantage of the opportunities arising from German unification. If we add up nur entire new busioess in the oew German federal states includiog eastern Berlin since the monetary unioo in mid-1990, we show a customer deposit volume of some DM 4.7 billion and a credit volume of DM 3.9 billion by the end of 1992.

The reason for this early success, aside from our increased acquisition efforts, is primarily the systematic expansion of our network of full branches and city branches in the new states and in the Berlin/Braodenburg region, which we oow, after unification, consider to be our core region. We currently have 35 braoches in the eastern part of Beriln and in neighbouring Brandenburg - by the eod of this year this figure should have grown to 47 - and five full branches in other cities of the new states.

Berliner Bank's 1992 business year was once agaio characterized by strong growth and a clear rise in earnings. Our business volume, i.e., the balance sheet total plus endorsement liabilities, went up by DM 3.7 billion, reaching DM 44.8 billion by year's end. This expansion is attributable mostly to our performance in the customer business

In spite of rapidly increasing costs, our partial operating profit rose by a considerable 70%, to DM 360.3 million. In the extraordinary accounts we tnok very strong precautions against risks in the loans business and particularly we once again increased our provisions for country risks. Our holdings in securities, through the price gains they achieved, cootributed positively to our extraordinary results.

We show a balance sheet profit of DM 60.6 million for the 1992 business year. In view of the positive development of our current business, we propose to the Annual Geoeral Meeting that this amount be used to pay a dividend of 14%, up from 12%, i.e. DM 7 -- per share and DM 3.50 per new share. Interest payments made oo our profit participation certificates have already been accounted for in the net interest earnings.

From our balance sheet: (in million DM)	1992	1991
Loans to customers .	27,279	23,071
Customers' deposits and bearer bonds	24,998	21,586
8 usiness volume	44,82\$	41,148

We are represented everywhere in Berlin and at major Incations in the state of Brandenburg - a total of 111 city branches. We also have eleven full branches in the remaining states of the "old" aod the "oew" Federal Republic, as well as a branch in Loodon.

From our profit and loss account: (in million DM)	1992	1991
Interest earnings	839.8	552.1
Commission earnings	185.9	176.6
Partial operating profit	360.3	211.6
Profit per balance sheet	60.6	56.4

Our group accounts include Berliner Bank International S.A. in Luxembourg, Allgemeine Privatkundenbank AG io Hanover, Braunschweig-Hannoversche Hypothekenbank AG, BB-Leasing GmbH and BB-DATA Gesellschaft für informations- uod Kommunikationssysteme mbH.

At the close of 1992, our group business volume had reached DM 63.1 billion.

We would be pleased to let you have our Annual Report for 1992 on request.



REPLINER BANK AG IN BERLIN: Head Office, Serlin/Brandenburg Branches, Corporate Banking, Hardenbergstrasse 32, D-1000 Berlin 12, Telephone + 30 3109 - U
Teleph Magdeburg, Munich, Schwerin, Schwerin, Schwering State and Gottingen PARTNER: Gothser Versieherungsgruppe (Insurance group), Cologne and Gottingen (N LUXEMS OURG: Berliner Bank International S. A.-CO-OPERATION PARTNER: Gothser Versieherungsgruppe (Insurance group), Cologne and Göttingen



Turn to Baer Drive to get you there.

In today's topsy-turvy markets, international investors naturally turn to asset managers who offer uncommon experience and flexibility combined with an unswerving commitment to achieving client objectives. That's why so many investors around the world rely on Bank Julius Baer, one of Switzerland's leading private banks with a century-old tradition of preserving and enhancing wealth.

Bank Julius Baer. We're determined to get you there.

BANK JULIUS BAER

For the Fine Art of Swiss Banking

Zerrich, Behnhofstrasse 36, CH-8010 Zerich, Tel. (01) 228 51 11 n, Bevis Marks House, Bevis Marks, London EC3A 7NE, Tel. 071-623 4211

Frances Williams on how fears of a 'fortress Europe' have proven unjustified as markets become more open

HE European Community's single market programme has generally made its markets more open to foreign trade and fears of B "fortress Europe" have so far proved unjustified, the General Agreement on Tariffs and Trade concludes in its second review of EC trade policies.

However, Gatt's economists remain concerned about the extension of preferential trading arrangements, which apply to three-quarters of EC external trade. The report also warns that economic recession, compounded hy problems related to German reunification, eastern Europe and the stalemate in the Gatt trade talks, "has increased the risk that more defensive trade policies will be followed".

The cautiously favourable tone of the report is in marked contrast to the highly critical approach of Gatt's first EC review in April 1991. EC offiment "pretty fair", said this reflected trade liberalising developments over the past two years and a less severe attitude on Gatt's part towards preferential trade accords.

The single European market, designed to ensure the free flow of goods, services, capital and labour from January this year, has "improved Bccess, transparency and legal security in many sectors," the report says.

Many national import restrictions, especially on goods from Asia or eastern Europe, have been scrapped. The Community has also taken steps to liberalise a number of industrial sectors - notably telecommunications, pharma-ceuticals and coal - by harlations, reducing entry barriers and introducing competition into previously strictly controlled areas.

In several sensitive areas, however, the picture is less

Gatt's governing council yesterday gave B qualified welcome to recent EC trade developments, despite reservations on some individual policies and programmes. Frances Williams writes.

Gett members broadly agreed that the single market had enhanced market flexi-bility and improved business opportunities for internal and external suppliers alike. However, there was criticism that

clear cut. In steel, Gatt notes that subsidies have been curbed and voluntary restraint arrangements with the US Bhandoned. At the same time, the EC's resolve to defend these achievements is under

challenge" from stronger import competition, a "dramatic decline" in domestic demand and deteriorating export markets, exacerbated by countervailing and anti-dumping actions in the US and

EC import surveillance remains in force and some steel imports from central

the replacement of national restrictions by Community-wide measures had raised external trade barriers for cars, canned fish and bananas.

Defending EC policies, Mr Roderick Abbott, head of international trade policy in Brussels, said that trade with countries outside Europe (excluding oil) accounted for two-thirds of total trade and nearly 70 per cent of EC imports entered duty- producer.

coming from price and other

supports, according to Gatt.

The reforms of the Common Agricultural Policy agreed last

year imply a significant decline from 1993-94 onwards in levels

of price support for cereals, beef and veal. But while reduced support may cut over-

production and exports, the

impact on import demand is

less clear. Other subsidised

Europa and Egypt have loan producers who face recently been subjected to anti-tougher restrictions in the unidumping duties or price underfied market. EC agriculture in general remains highly protected, with about one half of farm income

takings, the report notes. Elsewhere, Community-wide restraints have replaced the previous maze of national import curbs, for example on cars, bananas and canned tuna and sardines. The uneasy "consensus" with Japan on cars is intended to provide temporary and declining relief for EC producers until full liberalisation by the year 2000.

However, the new banana import regime is under challenge in Gatt from Latin AmerEC harmonisation aimed to reduce trade barriers, while the Europe Agreements with eastern Europe were designed to eliminate all restrictions within B specified period.

free or on best available terms.

• Gatt membership has risen to 111 with the accession yesterday of St Vincent and the Grenadines, a tiny Caribbean banana

products, especially milk and sugar, "are largely unaffected by the reform package," the

Gatt has similarly equivocal views on the extension of EC preferential trading arrangements to tha European Free Trade Association, central and eastern Europe, and Mediterranean countries.

This has led to "a complex

hierarchy" of overlapping preferential trading systems within Europe, spreading outwards from the EC to the European Economic Area agreements with Efta countries (except

Switzerland), the Europe Agreements with central and eastern European countries and parallel agreements among the Ceecs and between them and Efta members.

While these moves liberalise trade in many products, they depart further from Gatt's nondiscriminatory trading princi-

ples, the report says. EC officials counter that less than 30 per cent of imports sctually henefit from preferences and that, with trade representing B quarter of GDP, the Community is a more open economy than either the US or

Basy access to the EC market is seen as vital for eastern and central Europe. Poland, Hungary, the Czech Republic, Slovakia, Romania and Bulgaria sent 75 per cent of their total exports to the Community in 1991, roughly half of which entered duty-free. Gatt's economists praise the

EC for its commitment not to

take unilateral action in pursuing trade grievances where multileteral remedies exist (making an implicit comparison with the United States). However, they are concerned about frequent EC recourse to anti-dumping action, and the use of safeguard provisions under the new Europe Agreements which Gatt says may be contrary to international fair

trade rules. The report warns that recent moves to give the executive European Commission more powers in trade policy matters, for example in anti-dumping cases, may increase flexibility but may also make decision making more vulnerable to short-term pressures and vested interests.

That danger, Gatt argues, makes it all the more vital to conclude B successful Uruguay Round agreement that would put in place a stable and effec-tive framework of multilateral



INFORMATION FROM THE BANK OF ENGLAND

ISSUE OF £3,000,000,000

7³/₄% TREASURY STOCK 2006

INTEREST PAYABLE HALF-YEARLY ON 8 MARCH AND 8 SEPTEMBER FOR AUCTION ON A BID PRICE BASIS ON 26 MAY 1993

PAYABLE AS FOLLOWS:

Balance of purchase money:

The Bunk of England reserve the right to reject any non-competitive bid. Non-competitive bids which are accepted will be accepted in full AT A PRICE (the non-competitive sale price) EQUAL TO THE AVERAGE OF THE PRICES AT WHICH COMPETITIVE SIDS HAVE BEEN ACCEPTED, the average being weighted by reference to the amount accepted at each price and ROUNDED DOWN TO THE NEAREST MULTIPLE OF 1/32ND OF £1.

If the non-competitive sale price is less than £100 per £100 nominal of Stock, the amount by which the amount paid on application exceeds the non-competitive sale price less £65 per £100 nominal of Stock will be refunded by cheque despatched by post at the risk of the applicant.

Stock, applicants whose non-competitive bids are accepted may be required to make a further payment equal to the non-competitive sale price less £100 for every £100 nominal of Stock allocated to them. An applicant from whom a further payment is required will be notified by lester by the Back of England of the amount of Stock allocated to him and of the further payment due, but such notification will confer no right on the applicant to transfer the amount of Stock so allocated. The despatch of allotment letters to applicants from whom a further payment is required will be delayed until such further payment has been made.

The Bank of England may sell to applicants less than the full amount of the Stock.

Stock.

17. The Stock will be initially issued to the Bank of England at a price such that it will out be a deep discount security for the purposes of Scholule 4 to the Income and Corporation Taxes Act 1988. Further issues of 74/8 Treasury Stock 2006 may be at a deep discount (broadly, a discount exceeding \(^1/8\) per annum\) and in certain circumstances this could result in all of 74/8 Treasury Stock 2006 being treated thereafter as a deep discount security. However, it is the intention of Her Majesty's Treasury that further issues of 74/8 Treasury Stock 2006 will be conducted so as to prevent any of such Stock being treated as a deep discount security for United Kingdom tax purposes. Provided the Stock is neither a deep discount security, not treated as a deep discount security, any discount to the nominal value at which the Stock is issued will not represent taxable income for the purposes of the relevant provisions.

the purposes of the relevant provisions.

18. Letters of allotment in respect of the Stock sold, being the only form in which the Stock tother than amounts held in the CGO Service for the account of members) may be transferred prior to registration, will be despatched by post at the risk of the applicant, but the despatch of any letter of allotment, and any refund of the balance of the amount paid on application, may at the discretion of the Bank of England be withheld until the applicant's cheque has been paid. In the event of such withholding, the applicant will be solified by letter by the Bank of England of the acceptance of his application and of the amount of Stock allocated to him, subject in each case to the payment of his cheque, but such notification will confer on right on the applicant to transfer the Stock so allocated.

19.No sale will be made of a less amount than £1,000 nominal of Stock. If an application is satisfied in part only, the balance of the amount paid on application will, when refunded, be remitted by cheque despetched by post at the risk of the applicant; If an application is rejected the amount paid on application will be applicated.

20. Letters of allotment may be split into denominations of multiples of £100 on written request to the Bank of England, New Issues, Southgate House, Southgate Street, Gloucester, GLI IUW received not later than 17 June 1991. Such requests must be signed and must be accompanied by the letters of

Such requests must be signed and must be accompanied by the letters of allotment.

21. Subject to the provisions governing membership of the CGO Service, a member of that Service may, by completing Section C of the application form, request that any Stock sold to him be credited direct to his account to the CGO on Thursday, 27 May 1993 by means of a member-to-member delivery from an account in the name of the Governor and Company of the Bank of England, Namber 2 Account. Failure to accept such delivery by the deadline for member-to-member deliveries under the rules of the CGO Service on 27 May 1993 shall for the purposes of this prospectus constitute default in due payment of the amount payable on application in respect of the relevant Stock. A member of the CGO Service may also, subject to the provisions governing membership of that Service, surrender a partly-paid letter of allotment to the CGO for cancellation and for the Stock comprised therein to be credited to the member's account. The member who is shown by the accounts of the CGO as being entitled to any Stock shall, to the exclusion of all persons previously entitled to such Stock as if that member were the bother of is learn of allotment and be liable for the payment of any amount due in respect of such Stock. A member will be entitled at any time prior to registration to withdraw, in multiples of £100, Stock credited to the member's account and to obtain a partly-paid letter of allotment comprising such Stock, and such member shall be liable for the payment of all amounts becoming due thereafter in respect of such Stock uses and until that letter of allotment is surrendered to the CGO for cancellation as aforesaid.

in, the United Kingdom, the Channel Islands or the Isle of Man.

Price bid less £65 per £100 nominal of Stock £35 per £100 nominal of Stock

This Stock will, on issue, be an investment falling within Part II of the First Schedule to the Trustee Investments Act 1961. Application has been made to the London Stock Exchange for the Stock to be admitted to the Official List on 27 May 1993. I. THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND trivite bids for the above Stock.

The principal of and interest on the Stock will be a charge on the Nation Loons Fund, with recourse to the Consolidated Fund of the United Kingdom. 3. The Stock will be repaid at par on 8 September 2006.

4. The Stock will be registered at the Bank of England or at the Bank of Ireland, Belfast, and will be transferable, it multiples of one penny, by instrument in writing in accordance with the Stock Transfer Act 1963. Stock registered at the Bank of England held for the account of members of the Central Gits Office (CGO) Service will list be transferable, in multiples of one penny, by exempt transfer in accordance with the Stock Transfer Act 1982 and the relevant subordinate legislation. Transfers will be free of stamp duty.

5. Interest will be payable half-yearly on 8 March and 8 September. Income tax will be deducted from payments of more than £5 per annum. Interest warrants will be transmitted by post. Interest will accrue from Thursday, 27 May 1993 and the first interest payment will be made on 8 September 1993 at the rate of £1.8632 per £100 of the Stock.

6. The Stock may be held on the National Savings Stock Register. 7. The Stock and the interest poyable thereon will be exempt from all United Kingdom taxation, present or future, so long as it is shown that the Stock is in the beneficial ownership of persons who are neither domiciled nor ordinarily resident in the United Kingdom of Great Britain and Northern Ireland.

8. Further, the interest payable on the Stock will be exempt from United Kingdom income tax, present or future, so long as n is shown that the Stock is in the beneficial ownership of persons who are not ordinarily resident in the United Kingdom of Creat Britain and Northern Ireland.

9. For the purposes of the preceding paragraphs, persons are not ordinarily resident in the United Kingdom if they are regarded as not ordinarily resident for a the purposes of United Kingdom income tax.

10. Applications for exemption from United Kingdom income tax should be made in such form as may be required by the Commissioners of Inland Revenue. The appropriate forms may be obtained from the Inspector of Foreign Oividends. Inland Revenue, Lynwood Road, Thames Ditton, Surrey, KT7 ODP.

Inland Revenue, Lyawood Road, Thames Ditton, Surrey, KT7 0DP.

11. These exemptions will not entitle a person to claim repayment of tax deducted from interest unless the claim to such repayment is made within the time limit provided for such claims under income tax taw; under the provisions of the Taxes Management Act 1970, Section 43 (1), on such claim will be outside this time limit if it is made within six years from the date on which the interest is payable. In addition, these exemptions will not apply so as to exclude the interest from any computation for taxation purposes of the profits of any trade or business carried on it the United Kingdom. Moreover, the allowance of the exemptions is subject to the provisions of ony law, present or future, of the United Kingdom directed to preventing avoidance of taxation by persons domicifed, resident or ordinarily resident in the United Kingdom, and, in particular, the interest will not be exempt from income tax where, under any such provision, it falls to be treated for the purpose of the Income Tax Acts as Income of any person resident or ordinarily resident in the United Kingdom.

Method of Application

12. Sids may be made on either a competitive or a non-competitive basis, at set out below, and must be submitted on the application form published with the prospectus. Each application form must comprise either one competitive bid. Separate arrangements have been made under which gilt-edged market makers may make competitive bids by telephone to the Bank of England not later than 10,00 am on Wednesday, 26 May 1993.

13. Application forms must be sent to the Bank of England, New Issues, PO Box 444, Cloucester, GL1 INP to arrive not tare than 10.60 AM ON WEDNESDAY, 26 MAY 1993; or lodged by hand at the Central Gits Office, Bank of England, aank Buildings, 19 Old Jewry, London not later than 10.60 AM ON WEDNESDAY, 26 MAY 1993; or lodged by hand at any of the arranches or Agencies of the Bank of England not later than 3.30 PM ON TUESDAY, 25 MAY 1993. Bids will not be revocable between 10.00 am on Wednesday, 26 May 1993 and 10.00 am on Tuesday, 1 June 1993.

Each competitive bid must be for one amount and at one price expressed as a multiple of 1/32nd of £1 and must be for a minimum of £500,000 nominal of Stock and for a multiple of Stock as follows:-

(ii) Unless the applicant is a member of the CGO Service, a separate cheque representing the PAYMENT TULE ON APPLICATION, i.e. THE PRICE BID LESS 658 FOR EYERY £100 NOMINAL OF STOCK BID FOR, must accompany each competitive bid. Cheques must be drawn on a branch or office, situated within the Town Clearing area, of a settlement member of CHAPS and Town Clearing Company Limited.

[iii) The Bank of England reserve the right to reject any competitive bid or part of any competitive bid. Competitive bids will be ranked in descending order of prica and Stock will be sold to applicants whose competitive bids are at or above the lowest price at which the Bank of England decide that any competitive bid should be accepted (the lowest accepted price). APPLICANTS WHOSE COMPETITIVE BIDS ARE ACCEPTED WILL PURCHASE STOCK AT THE PRICES WHICH THEY BID: competitive bids which are accepted and which are made at prices above the lowest accepted price will be satisfied in full; competitive bids which are accepted and which are made at the lowest accepted price may be satisfied in full or in part only.

15. NON-COMPETITIVE BIDS

satisfied in fail of a part of the satisfied in fail of the satisfied i

(ii) Only one non-competitive bid may be submitted for the benefit of any one person. Multiple applications or suspected multiple applications are liable to be rejected. (iii) Unless the applicant is a member of the CCO Service, a separate cheque representing a PAYMENT AT THE RATE OF 435 FOR EVERY £100 NOMINAL OF STOCK APPLIED FOR must accompany each non-competitive bid; cheques must be drawn on a bank to, and be payable

amounts occoming one uncertainty in respect or such Super, unless and unit one letter of allotment is surrendered to the CGO for cancellation as aforesaid.

22. The Stock will be issued and sold partly-paid, with a final instalment of £65 per £100 nominal of Stock payable on 21 June 1993. Payment of the final instalment must be sent to the Bank of England, New Issues, Southgate House, Esouthgate Street, Gloucester, GLI 1UW. Payment in full may be made at any time after sale but no discount will be allowed on such payment. Interest may be charged on a day-to-day basis on any overdue amount which may be accepted at a rate equal to the London luur-Bank Offered Rate for seven day deposits in sterling ("LIBOR") plus 1% per annum. Such rate will be determined by the Bank of England by reference to market quotations, on the due date for such payment, for LIBOR obtained from such source or sources as the Bank of England shall consider appropriate. Default in due payment of any amount in respect of the Stock will render such Stock and any amount per rously paid liable to forfeiture. Letters of allotment must be surrendered for registration, accompanied by a completed registration form, when the belance of the prochase money is paid, unless payment in full has been made before the due date, in which case they must be surrendered for registration to tater than 21 fuce 1993; in the case of Stock held for the account of members of the CGO Service payment of the final instalment and registration of Stock will be effected under separate arrangements. 23. Application forms and copies of this prospectus may be obtained by post from the Bank of England, New Issues, Southgate House, Southgate Street, Gloucester, GL1 1UW; at the Central Gilts Office, Bank of England, 1 Bank, Buildings, Princes Street, London, EC2R 8EU or at any of the Branches or Agencies of the Bank of England; at the Bank of Ireland, Moyne Buildings, 1st Floor, 20 Callender Street, Belfast, BT1 5BN; or at any office of the London Stock Exchange in the United Kingdom.

is drawn to the statement issued by Her Majesty's Treasury on 29 May

1985 which explained that, in the interest of the orderly conduct of fiscal policy, neither Her Majesty's Government nor the Bank of England or their respective servans or agents undersake to disclose an changes decided on but not yet announced, even where they may specifically affect the terms on which, or the conditions under which, this Stock is issued or sold by or on behalf of the Government or the Bank; that no responsibility can therefore be accepted for any omission to make such disclosure; and that such omission shall neither reader any impassion limits to be set aside nor give rise to any claim for compensation.

BANK OF FNGLAND

(vi) if the non-competitive sale price is greater than £100 per £100 nominal of

LONDON			6
18 May 1993			8
APPLK TO THE COVERNOR AND O VWe apply in accordance with the non-competitive bids dated 18 M	he terms of the pro	E BANK OF EN	GLAND contive and
FOR COMPETITIVE tie for Stock to be purcha	BIDS ONLY used at the price b	id)	
74, % Tressury Stock 2006 sp Amount of Stock applied for £500,000-£1,000,000	pplied for: Multiple £100,000	£	
£1,000,000 or greater	000,000,12		

Price bid per £190 nominal of Stock, being a multiple of 1/32ad of £1: Amount of initial payment exclosed (a), being equal to the price bid LESS 165 for every £100 NOMINAL of Stock applied for:

FOR NON-COMPETITIVE BIDS ONLY defined in the prospectus)

Nominal amount of 7% % Treasury Stock 1993 applied for: being a multiple of £1,000, with a minimum of £1,000 and a maximum of £500,000 nominal of Stock: Amount of initial payment enclosed [a), being £35 (b) for every £100 NOMINAL of Stock applied for:

FOR CGO MEMBERS ONLY

CGO PARTICIPANT NUMBER.

THIS SECTION TO BE COMPLETED BY ALL APPLICANTS

THIS SECTION TO BE COMPLETED BY ALL APPLICANTS

Whe indertake to pay the balance of the purchase money when it
becomes due in respect of any Stock which may be sold to mebus under this
application, as provided by the prospectus.

Whe request that any letter of allournent in respect of Stock said to mebus
be sent by post at myfour risk to mebus at the address shown below.

In THE CASE OF A NON-COMPETITIVE APPLICATION, I/we
warmen that to my/our knowledge this is the only non-competitive application
made for my/out benefit (or for the benefit of the persons on whose behalf I and we may applying).

In THE CASE OF AN APPLICATION BY A MEMBER OF THE CGO
SERVICE WHO HAS COMPLETED SECTION C, we request that any Stock
allocated to us be credited direct to our account at the Central Gills Office.
We hareby irrevocably undertake to accept such Stock by member-to-member
delivery through the Central Gills Office Service from the Governor and
Company of the Bank of England, Number 2 Account (Participant number
15183) by the deadline for such deliveries on 27 May 1993, and we agree that
the consideration to be input in respect of such delivery shall be the amount
payable by us on the sale of such Stock in accordance with the terms of the
prospectus.

PLEASE USE BLOCK LETTERS FORENAMEIST IN FULL SURNAME COUNTY POSTCODE

(a) A separate cheque must accompany each application. Cheques should be made payable to "Bank of England" and crossed "New issues". In respect of competitive bids, cheques must be drawn on a branch or office, situated within the Town Clearing Company Limited. In respect of CHAPs and Town Clearing Company Limited. In respect of non-competitive bids, cheques must be drawn on a brank in, and be payable in, the United Kingdom, the Channel Islands or the isle of Man. (b) The procedure for any refund, or further amount payable, is set out in the

APPLICATION FORMS MUST BE SENT TO THE BANK OF ENGLAND, NEW ISSUES, PO BOX 444, GLOUCESTER, GLI INP TO ARRIVE NOT LATER THAN 10.00 AM ON WEDNESDAY, 25 MAY 1993; OR LODGED BY HAND AT THE CENTRAL GILTS OFFICE, BANK OF ENGLAND, BANK BUILDINGS, 19 OLD JEWRY, LONDON NOT LATER THAN 10.00 AM ON WEDNESDAY, 25 MAY 1993; OR LODGED BY HAND AT ANY OF THE BRANCHES OR AGENCIES OF THE BANK OF I ENGLAND NOT LATER THAN 3.30 PM ON TUESDAY, 25 MAY 1993.

Westinghouse in Czech N-deal

WESTINGHOUSE Electric of the US has clinched two contracts, worth a total of \$350m-\$400m (£228m-£260m), to supply technology, equipment and services to the partially completed Temelin nuclear power station in the Czech republic.

The signing this week of the contracts ends a 2%-year saga that has turned into one of the most important for western suppliers seeking orders to upgrade nuclear plants in eastern Europe.

Westinghouse said the contracts were the largest yet awarded for safety and performance related upgrades of Soviet-designed nuclear reactors. The customers are the plant owner, Ceske Energeticke Zavody, and the primary plant supplier, Skoda Prague. They are also the first such

orders for a western company for the VVER1000 type of reactors, widely viewed as the Soviet design that approximates most closely to western safety standards.

Overall costs for upgrading the 81 Soviet-designed nuclear stations in Russia, Ukraine and eastern Europe have been estimated at \$10bn. There are 38 is guaranteeing the loans.

VVERIGOOS in operation or under construction.

Westinghouse was told in September it had been selected to supply a \$220m instrumentation and control (I&C) system to the Temelin plant, which bas two units each of 1,000MW, and a month later that it would supply the first core and four reloads of fuel.

Bnt the Czech government only formally announced in March that it would continue construction of the plant.

The I&C system will be manufactured at Westinghouse factories in Pittsburgh and Brusseis, with participation of companies in the Czech republic. The fuel will be made in the US but Skoda Plzen, the reactor vessel supplier for the two Temelin units, will join Westinghouse in fuel testing and development programmes. Equipment suppliers have been pushing western governments and supranational bodles to step up financing for nuclear safety work in eastern Europe, in this case, 85 per cent of financing has come from the US Exim Bank and Belgian export credits, the balance provided by European

banks. The Czech government

EC urged to curb cement imports

By Artane Genillard in Bonn

THE GERMAN Cement Industry Federation yesterday urged the European Commission to apply anti-dumping measures promptly against east European cement makers to prevent unfair competition in the German market.

German cement makers, together with other European cement enterprises, last year filed a complaint to the EC against east European producers and are waiting for a ruling from the Commission.

Calling attention to the increased cement imports coming from eastern Europe, Mr Jürgen Lose, head of the federstion, said he expected the EC to issue B ruling soon. Ironically, the largest west

European cement makers have been vying to acquire shares of the cement industry in eastern Europe in order to secure cheap production costs close to the Community borders. In the Czech republic, where

the cement industry was the first one to be sold to foreign investors, the Belgian Cimenterie CBR, Heidelberger cement imports into Germany.

Zement, Germany's largest cement prodocer, and Holder-bank of Switzerland have bought significant equity shares in local cement companies. Heidelberger Zement is also currently negotiating the acquisition of a cement com-

pany in Hungary. But the German cement industry federation argues that imports from these countries represent unfair competition for cement producers in Germany and is undermining the local cement industry. East Europeans have been selling one tonne of cement at DM60 (£24), while German producers offer their products at DM130-DM140 a tonne.

East Europe exported 5.4m tonnes of cement to Germany in 1992, up 50 per cent on the previous year. German cement producers sold 33m tonnes of cement in their domestic market last year.

The federation wants such imports to be reduced or their increase curbed by higher custom tariffs and quotas. East European producers represented 75 per cent of all 1992

Norwegian ship order

LEIF HOEGH, one of Norway's higgest shipowners, yesterday announced it had awarded a contract valued at \$106m (£69.3m) to South Korea's Hyundai Heavy Industries to huild two car carriers for delivery in the fourth quarter next year, writes Karen Fossli in

Hoegh said that the delivered price of the carriers included interest and other

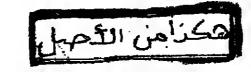
The contract includes an option for B third car carrier. The shipowner said the carriers would replace two ships which had been sold.

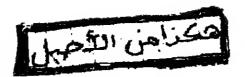
The new ships can carry 6,100 cars and will have flexibility to use capacity for high and/or heavy rolling stock.

S Korea wins | Oilseed row costly for UK group

LAST YEAR'S oilseeds dispute between the US and the EC cost Allied-Lyons, the UK food and drinks group, between \$2m and \$3m (£1.3m-£1.96m) in lost profits, the company sald yesterday, writes Pater Montagnon. This represents the expense of building up and storing stocks in the US as a precaution against the imposition of sanctions, it said when announcing its results.

Among Allied-Lyons' prodocts that would have been hit was Courvoisier cognac. "Resolution of the Gatt agreement is important to us," said Mr Michael Jackaman, chairman. Allied-Lyons also hoped that European governments would stop penalising spirits when setting duties on alcohol.





THE NEW CITROËN XM CT TURBO. 2 LITRE SENSE. 3 LITRE SENSATION.



Choosing your new company car is one of the more enjoyable executive decisions you have to make.

It's not necessarily one of the easiest, though.

to the state of

A particular dilemma is the choice of engine size. Ideally, you'd go for a 3 litre car. Perhaps you've already indulged yourself in a test drive and been seduced by the effortless delivery of refined power which characterises engines of this size.

But all things considered – purchase price, tax liability, fuel economy and so on – there's no escaping the fact that a 2 litre car is definitely the more rational, if less exciting option.

2.0i Turbo	£17,745
2.0Si Turbo	£19,245
2.0Si Turbo Est.	£19,245
2.0SEi Turbo	£22,365

Enter the new Citroën XM 2 litre Turbo. Remarkably, this is one 2 litre car which actually has the power to convince you it's a 3 litre.

Unlike conventional turbos, the XM's low-pressure turbocharger produces peak torque at just 2,200 rpm. More



CITROËN

importantly, thanks to Citroën's Constant Torque (CT) technology, maximum torque is maintained right up to 4,400rpm – in other words across the engine's entire range of normal operating speeds.

This gives you the smooth, instant response which, until now, has been denied drivers of 2 litre executive saloons.

This air of calm authority is enhanced by unusually generous equipment levels. Standard features on all four models in the range include ABS brakes, an electric sunroof and integrated alarm/engine immobilisation system.

Experience the remarkable XM 2 litre Turbo for yourself. You will find that for once, common sense produces a far from common sensation.

For more information about the Citroën XM Turbo,
please phone free on 0800 262 262 or return this coupon
to: Department FTC 356, Citroën UK Limited, Freepost,
London N4 1BR.

Mr/Mrs/Miss/Ms	Initials	Surname	
Address			
		Postcode	
Telephone			
Current Car Make			
Model		Registration	
Petrol □ I	Diesel 🗆	Saloon 🗆	Estate
Purchased: Compa	алу 🗆	Private 🗆	
Intended Replacer	nent Date: N	Nonth \	ear

CITROËN XM TURBO THE SHAPE OF TECHNOLOGY

Inflation not expected to exceed 4% despite upturn

By Peter Norman and Peter Marsh

BRITAIN'S short-term inflation outlook has improved in spite of a stronger than expected economic recovery in the past three months, the Bank of

England said yesterday. In its latest quarterly inflation report, the Bank said it expects the government's chon measure of underlying inflation - the retail prices index minus mortgage interest payments - will stay below its target ceiling of 4 per cent this

University votes for

OXFORD University's ruling body yesterday voted against creating new professorships. following claims that the move would hava discriminated against women. Instead money will go towards lower-ranking

A group of 79 academics had forced the vote, claiming that the promotions policy was discriminatory because few women were in a position to challenge for professorships. The move was approved by 182

The university pointed out that the resolution improves the chances of promotion for male lecturers, whose votes had been crucial. "Democratic structures within the university have had their say. The university is committed to

equal opportunities," it said, A national survey published today hy the Association of University Teachers finds that that the proportion of professors who are women has increased from three per cent to 4.9 per cent since 1989. However, it showed that

The Bank's report avoided giving any policy advice to the government and made no mention of its views on future interest rates. But it made

clear that any weakening of sterling after a 5 per cent rise in its trade weighted value in the three months since publica-tion of its first inflation report in February would increase the risk of the target's upper limit

The Bank said short-term inflation had risen slightly since February. Underlying inflation, when seasonally annualised rate, was 4.1 per cent in March compared with December last year, it said.

But the report said sterling's recent strength had "lowered slightly" the underlying inflation rate expected for this year and the chances of the year-onyear increase exceeding the 4 per cent limit.

The government's decision to apply value added tax to estic fuel and power from April next year would probably add 0.4 percentage points to the retail price index at that time and slightly increase the risk of inflation going above the 4 per cent level in 1994. Earlier, the Central Statisti-

cal Office reported that manufacturing output recorded its largest quarterly rise for more than four years.

Although manufacturing production in March fell by 0.3 per compared with February, the CSO said this was largely in reaction to a sharp rise in sugar production in February. Production between January and March was np by a seasonally adjusted 2 per cent compared with the previous quarter and 2.1 per cent higher than in the corresponding

A sharp rise in consumer confidence, reported yesterday hy Gallup, the opinion poll company, provided further evi-dence that the recovery was gathering strength.

Its latest survey of consumer confidence, Gallup recorded its most positive results for a year with 43 per cent of respondents expecting the general eco-nomic situation to improve over the next 12 months and only 22 per cent foreseeing a

Meanwhile, Mr John Major. prime minister last night new partnership between government and industry by directing government energy towards broadening economic recovery and strengthening the manufacturing base.

In a speech to the Confedera-tion of British Industry he underlined his personal commitment to improving Britain's competitiveness. That meant hacking exporters, fostering public-private sector partnerships to improve the nation's infrastructure, promoting free trade and translating scie research into industrial innovation. He also hinted that, despite Whitehall wrangling with the scheme's private sector backers, the government still hopes to reach agreement on the construction of the £2bn

London Cross-rall project. Mr Major, who had been told earlier by Mr Howard Davies, CBI director general, that business wanted the government to listen to industry rather than to its own rhetoric, said the climate for industry to flourish was now in place.

Editorial Comment, Page 19 Lex, Page 20

equality plan

women were appointed to pro-

fessorships at a later age than men, and were paid on average 21,500 less - £35,760 for men against £34,200 for women.

But MPs opposed to electoral

Opposition Labour party to debate electoral reform

reform yesterday launched a campaign to retain the existing

first-past-the-post system for

and Alison Smith

BRITAIN'S opposition Labour party will take one step nearer electoral reform when its ruling national executive committee (NEC) meets today to discuss a report which proposes hig changes to the way in which MPs are elected.

The report, from the working party on electoral systems chaired by Lord Plant of Highfield, recommends sweeping away the current first-past-thepost system used for elections to the House of Commons, in favonr of an untried system known as the Supplementary

Today's discussion will begin consultation period on the Plant report before further NEC discussion in advance of a decision at the autumn party conference. However it looks likely to open up a new split in the party, already deeply divided over internal reforms such as the loosening of the links with the trades unions. Mr John Smith, the Labour

leader, will be hoping to avoid an open split by putting his weight behind the idea of a national referendum on electoral reform at today's meetelections to the House of Com-

Mr Derek Fatchett, chairman of the group, warned that for a nawly-elected Labour government to spend its first year or two on electoral reform would be "Labour's equivalent of a new Maastricht bill", in terms of its divisiveness and irrele-

The Plant report says that the present first-past-the-post system of electing MPs fails to reflect the changing nature of British society. It examines three options for changing the UK's electoral system so that the number of MPs from each party more closely reflects party support, without losing the direct link between MPs and constituencies which currently exists.

All three options have left the Conservatives short of an overall majority at the last election and almost certainly have resulted in a minority Labour government supported hy smaller parties.

By a narrow majority, the Plant committee recommends that Labour should adopt the Supplementary Vote system devised by Mr Dale Campbell-Savours. This would allow voters to express a second prefer ence which would be taken into account if no candidate won more than 50 per cent of the first preference votes.

Other recommendations in the report include: Proportional representation for elections to the European parliament and to the elected second chamber which Labour proposes to replace the House

Taking discretion to call elections away from the prime minister by introducing fouryear fixed-term parliaments. • State funding for political parties, and new restrictions on national spending hy parties in general elections.

 A package of measures to improve the electoral process. including steps to register more voters, making postal voting easier, moving elections weekend and allowing people to cast their votes for up to eight days before election

Lahour supporters of elec-toral reform have already wel-comed the move towards electoral reform agreed by the Plant committee. Mr Smith is cautious about electoral reform though be is said to have accepted the case for change.

Editorial Comment, Page 19

Photograph by Tony Andrews Neil Reif, an apprentice stonemason, taking a tea break yesterday before moving statues

Spending watchdog orders ship bid inquiry

By Chris Tighe, Ivor Owen and David Owen

THE NATIONAL Audit Office (NAO), tha government's spending watchdog, is launching an immediate inquiry into the bidding duel for a vital helicopter carrier order which has left Swan Hunter, the last shipbuilder in north-east England, facing closure.

The NAO decided on the move yesterday after a meeting between Sir John Bourn, comptroller and auditor general, and Sir Nicholas Bonsor, chairman of the Commons defence select committee. It hopes to report back to parliament before MPs rise for the summer recess in

July or August. One key question for the inquiry will be how the victorious consortium of Cumbriabased VSEL and the Kvaerner Govan merchant shipyard in Glasgow was able to undercut Swan hy as much as £50m on the order, believed to be worth

about £170m. The NAO said it aimed to check whether hid procedures were carried out fairly. It said the circumstances surrounding the order were the "kind of thing" it might have looked into anyway, even without Sir Nicholas's approach.

Sir Nicholas said it was "a matter of concern" that Swan was at risk. "It is very worrying. Certain allegations have been made about the way the contract was tendered."

The move came as Mr Nick Brown, the Labour MP for Newcastle East, claimed additions to the original specifications ordered by the Ministry of Defence had forced Swan to add £30m to its original tender giving a final price in the

region of £195m to £200m. He said Swan had been unable to absorb the cost of the additional work as VSEL had been able to do through the "enormous profits" made on the "cost-plus" Trident submarine contract. He looked to the inquiry to reach a conclusion about the level of subsidy in the VSEL bid. "Those in the ministry of defence and higher up in the government never had any intention of allowing Swan Hunter to win the contract," he said.

In a senarate move. Price Waterhouse - the receiver appointed to Swan's UK companies last week within days of he order heing lost – co firmed they had reached an agreement with the MoD that would permit it to meet this month's wage payment to Swan's 1,750 manual workforce, due this Friday. Under the agreement, work on three Type 23 frigates which are being fitted out hy Swan would into position for the Chelsea Flower Show which is due to open next week in Loudon | continue until at least May 28.

Britain in brief



The European Commission has given the go-ahead for government cash aid to Belfast aircraft company Short Brothers.

The money is to support the company's involvement in the design and development of a new business jet aircraft, the Learjet 45. The Commission said the arrangement was compatible with EC rules on state aids for research and development.

Shorts will develop the largest part of the aircraft and receive aid in the form of 25 per cent of the company's total development cost.

Delta seeks NY licence

Delta Airlines has applied for a licence to fly between Manchester and New York's Kennedy Airport, a route already operated by British Airways and American Airlines.

Manchester Airport said four other new routes were being considered by US carriers. American, which flies daily from Manchester to Chicago and New York, is looking at Miami and Dallas as new destinations, while United Airlines is considering Washington and Northwest Airlines, Detroit.

Timex pickets in court

Thirty-three people appeared in court following the picketline clashes outside the Timex factory in Dundee on Monday.

All pleaded not guilty to a variety of offences including breach of the peace and police assault. One woman was charged with striking three officers with a van. They were banned from visiting Dundee and ordered not to go within a mlle of the Timex factory. where a bitter industrial dispnte has been going on for three months.

Auditors back streamlining

The UK's six principal accountancy bodies face the prospect of merger if they follow the views of their members can-

vassed in a poll conducted earlier this year.

The findings of the survey, which are due to be released today, show an overwhelming majority in favour of *rationalisation" of the profession.

That could lead to greatly increased co-operation and ultimately to the merger of the existing professional bodies, each with their own qualificathe names of their members.

Prison officers warn of action

Prison officers have raised the threat of industrial action over the introduction of private management to the state prison service.

Mr John Bartell, chairman of the Prison Officers' Association, said there was a "distinct possibility" that the union's annual conference next week could call for a national ballot on industrial action over privatisation.

Treasury to cost £55m

The cost of running the Treasury in 1992-93 is forecast to be £55.675m, compared with £44.969m. in 1990-91, Mr Anthony Nelson, economic secretary, told the House of Com-



LONG STRETCH: Australian fast bowler Merv Hughes limbering up yesterday as the touring side prepared for their first one-day cricket international against England. Today's match is the first of a

summer series which will

Ashes, international cricket's

include four tests for the

most famous trophy

Electricity demand grows

An acceleration in the growth of demand for electricity over the rest of this decade in England and Wales is forecast by the electricity industry. The National Grid Compa ny's annual collation of forecasts by the regional electric ity companiea yesterday pointed to an annual average increase of 1.6 per cent compared to the 1.1 per cent fore-

Council pays compensation

cast in last year's report.

An Asian accountant who claimed he was demoted and forced to take early retirement has accepted what is thought to be the largest settlement made hy a local council for alleged racial discrimination. Mr Lakshman Pardhanani, aged 56, accepted £25,000 in an

out-of-court settlement from tha Labour-controlled London Borough of Camden after taking the council to an industrial tribunal where be claimed racial discrimination. Mr Pardhanani claimed that

year after he joined Camden council's works department as finance and data manager his department was restructured and his post abolished.

BT agrees injury deal

BT and the National Communications Union have agreed on an out of court settlement over the case of 11 former data rocessing officers who contracted repetitive strain

Without admitting any lia-hility, BT has agreed to make payments to the women con-cerned as well as meet all the union's legal costs. Neither slde would disclose the amount of money involved.

Cardiff Bay to 'rival Sydney'

Cardiff Bay in Wales is set to become the most exciting commercial development in Europe, according to Sir Geoffrey Inkin, chairman of the local development corporation.

The £350m committed over a 10-year period, he said, would to take the total invested in redeveloping the city's docklands to more than £1.5bn. "We are creating a maritime city in Cardiff for the 21st century, one that can stand comparison with the leading sea port cities of the world such as Sydney, Hong Kong and Cape Town, said Sir Geoffrey.

City urged to recruit staff from noorer areas

By Robert Taylor,

A NON-PROFIT company was launched yesterday calling for "a sea-change in City recruit-ment culture" by hiring more people from neighbouring socially deprived and high unemployment areas.

Local Recruitment Brokerage is a partnership between the Bank of England, City employers Kleinwort Benson and S.G. Warburg and public-sector bodies, including the councils from Hackney, Islington and the Corporation of London, joh centres and the City and Inner London North Training and Enterprise Coun-

Ms Jackie Sadek, director of the company, said it was keen to encourage companies to recruit among ethnic communities and women who return to work in Islington and Hackney, north London. But she amphasised it would "never

compromise on quality".

As many as 37 per cent of the ethnic community living in Islington have an advanced educational qualification, hut only 2 per cent of middle and higher managerial City jobs are held by people from ethnic

minorities. appropriately qualified staff locally.

The new enterprise

The inspiration for

the new company was a South Bank Polytechnic report two years ago highlighting that City employers did not look at the skills and potential of the workforce on their doorstep, preferring to see the whole of London and tha south-east as its employment

They reveal that 66 per cent

The company, which is to will seek charitable status, will aim to link up financial and City institutions in their recruitment activities with local voluntary and public sector bodies which can find the

Launching the Brokerage, Mr Rohin Leigh-Pemberton, the Bank of England's governor, said the Bank was "well aware of the high levels of unemployment, the poor living standards and immense hardship that exists within a mile of the City."

"offer better Monly employment opportunitias for residents in the inner city." He hoped City employers would adopt an enlightened approach to the new company and "discover high quality recruits were on their door-

centres on the local gaelic foot-

More teenagers stay on at school

By John Authors

A RECORD proportion of 16 and 17-year-olds stayed in education in England last year, figures released yesterday by the Department for Education

of all 16-year-olds stayed in full-time education during the academic year 1991-92, compared with 60 per cent in the previous year, while the proportion of 17-year-olds rose from 43 per cent to 49 per

The government said the staying-on rate had increased

"dramatically", and that provi-sional estimates for this year showed further "leaps" to 70 per cent of 16-year-olds, and 55 per cent of 17-year-olds.

Britain, however, still has one of industrialised world's lowest proportion of 18-yearolds going to higher education put at 15 per cent in 1988, according figures released by the Organisation for Economic Co-operation and Development.

courses. Japanese and German

students survive almost as well

but a far higher proportion

Among UK students reaching universities, up to 94 per cent stay on to finish their

enter universities at 25 per cent and 20 per cent respectively.

Mr Tim Boswell, further and higher education minister. said: "The government has provided funding for a record 25 per cent increase in atudent numbers in further education over the next three years." Mr Tony Lloyd, higher education spokesman for the oppo-

sition Labour party, suggested the figures were caused by the He said: "We know, and most parents know, that this is a complete lack of faith in the youth training alternatives which significantly bave not attracted anything like the

same increase in numbers." Teachers' unions were also unimpressed. Mr Doug McAvoy, general secretary of the National Union of Teachers, said: "With unemployment at around 3m can anyone be surprised that more children are staying on?" He also attributed rising

staying-on rates to the continu-

ing success of GCSE examinations, which replaced the old entirely driven by the lack of system of GCE O-levels and employment opportunities and CSEs four years ago.

UK outpost faces election test

N South Armagh, one of furthest-flung corners of the UK, the only indication that local elections are taking place in Nortbarn Ireland today are the occasional postera advertising local candidates of Sinn Fein, the political wing of the banned irish

Republican Army. At the border village of Cullavill, where in the space of one mile one crosses from the Republic, into Nortbern Ireland and hack into the Republic again, a more omi-nous hand-painted poster proclaims "The harracks buster. Reliable, accurate, effective. referring to the IRA's latest

heavy mortar weapon. Irish flags fly from the lamp posts. Unlike the main roads that cross the border, there are no army checkpoints here. The only indication that one has crossed from one country to another is the better road surface on the UK side.

A few miles further on at Crossmaglen, a fortified police and army post dominates the town'a square. A faded British flag flutters over the fortifications. The locals refer to lt disparagingly as "the outpost". Conversation in the puhs

Tim Coone assesses the hopes of local parties in Northern Ireland ball teams. When the subject of to the negotiating table. A politics is broached, most say swing to the extremes will

policing.

they are Sinn Fein supporters. Across the province, some 930 candidates are contesting 582 seats in 26 district councils. As in the genaral elections, national politics are of little importance here.

What will be tested instead is the balance of power between the DUP and the UUP. the two parties favouring the union with Britain, and between the two netionalist parties - the SDLP and Sinn Fein. The outcome may have a strong hearing on whether political talks over the future of Ulster, ahandoned last November, can be put back on

In the last local elections in 1989, the more extreme of the two sides - the DUP and Sinn Fein, suffered setbacks at the expense of the more moderate and conciliatory rivals. Should that trend be confirmed in today's elections, the expectation is that the British and Irish governments will be able to cajole the main parties back swing to the extremes will make the task much more diffi-

cult Since direct rule from Westminster was imposed at the height of the province's troubles in 1972, councils have been stripped of most of their powers. They administer cemeteries, garhage disposal and road cleaning, and have some discretionary spending, but have no say in affairs such as health, education, housing and

B ut even if the moderate parties make further gains today, deep differences remain between the UUP and SDLP on the timing of introducing greater local pow-

The UUP manifesto demands "an immediate reatoration of accountable democracy in Northern Ireland - the present system, wherein the most mundane local problem can only be resolved by central government, is both remote and unresponsive."

The SDLP has deep reservations about giving greater powers to local government, outside the framework of a

broader political settlement.
"Even to contemplate such a development in light of the continuing unreconstructed sectarian behaviour of many councils is to realise its impossihility," it says. The recent talks between Mr

John Hume, the SDLP leader.

with Mr Gerry Adams, presi-

dent of Sinn Fein, has alarmed

unionists who view it as the emergence of a "pan-nationalist front" with the Dublin gov-Sinn Fein, which has been denied representation at the talks on the future of Ulster, has, meanwhlle, been told other parties involved in the process that it cannot expect a seat at the negotiating table

whatever their outcome, are unlikely to change that posi-But the Loyalist gun attack on the Sinn Fein offices in Belfast on Monday would seem to underline deep-seated Unionist fears of where the political process in Northern Ireland may

be heading.

until they first renounce vio-

lence. Today's election results.

It's a global business

THE COURIER and express industry is attracting political attention both in the UK and the broader European market.
In the UK, the government
plans to privatise both the
Royal Mail parcels division

Parcelforce, either separately or as part of a more general privatisation of postal services, and its British Rail counterpart Red Star.

A decision on the nature and timetable of the Royal Mail/ Parcelforce privatisation had been expected around now. But Government sources indicated last month that privatisation moves are now unlikely before

Last July, Mr Michael Heseltine, trade and industry secretary, announced that it was intended to sell Parcelforce as a separate unit. Since then, there has been something of a rethink, and Royal Mail and Parcelforce could be sold off as one unit.

Red Star, though, looks cer-tain to be sold separately from the rest of British Rail, and is likely to be the first significant part of BR to take that route. Among the potential bidders are two groups of current or recent senior Red Star manag-

On the European front, the European Council of Ministers was this month due to discuss a European Commission Green Paper on the future of postal services. The discussions could delivery systems generating have considerable implications substantial fixed costs, any

1001

1231

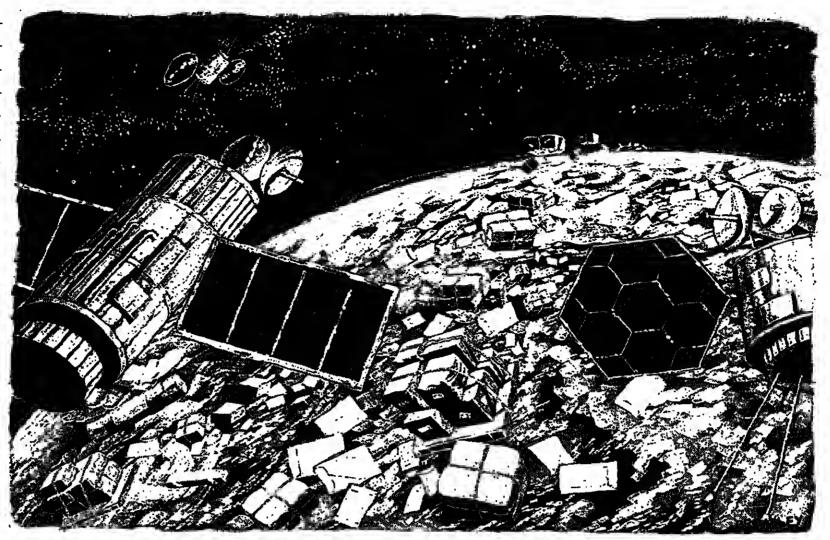
for future EC courier/express service development

Meanwhile, the European Commission is investigating courier industry allegations that seven national post offices are abusing EC competition laws and hampering some aspects of their busine

The International Express Couriers Conference (IECC) has complained that the post offices of the UK, Belgium, France, Germany, Finland, Switzerland and Sweden are deliberately slowing down private sector re-mail operations. That business involves courier mail from one country being reposted in the postal system of another to take advantage of cost savings.

Regardless of the truth or otherwise of those allegations, post offices generally are becoming much more commercial in their thinking on the development of mail, courier and express services. Highlighting that trend is the 18month old joint venture between postal organisation GD Net, the express company established by the post offices of Germany, France, the Netherlands, Sweden and Canada, and TNT Express World-

The GD Net/TNT venture helps to illustrate the importance of size and traffic volnmes as a factor in the express Industry's development. With



increase in traffic volumes rapidly produces significant economies of scale.

Mr Tony Keating, European logistics director for US-based parcels giant United Parcel Service (UPS), maintains that in Europe, for instance, rates should come down as volumes increase and the industry develops along similar lines to that in the US.

"The traditional structure of parcel groupage and forwarding operations in Europe will, I believe, change just as they have in the US. With this change, I foresee service levels increasing year by year. At the same time, we should see rafes

coming down from current lev-els to far nearer the costs of similar movements in the US."

In the light of that likely development, many express industry observers believe the European market will increas-ingly be dominated by the major groups who can benefit most from economies of scale. In the last five years, there

domestic parcels delivery companies coming unstuck while trying to develop their own operations in Europe. But a express companies still believe they can compete in the European market through partner-

One of the most pronounced international trends is the move by major service operators to expand their activities to include more comprehensive logistics activities. The big four global express companies - TNT, UPS, DHL Worldwide

Express and Federal Express -now have special divisions or management teams dedicated to developing full logistics services for multinational custom-

This trend is fuelled by the attempt of multinational manufacturers to restructure their logistics activities to reflect the

increasingly global nature of their sourcing and distribution activities. Fast, reliable deliv-ery services are often a key

component of those operations. At the same time, express companies are also broadening the scope of their standard delivery services. The express industry is introducing more added-value services, such as inventory management, order fulfilment and expedited ship-

ping programmes for highvalue or time-sensitive goods. But the most significant general area of "added value" service development involves information technology, partic-ularly the establishment of

new EDI (electronic data interchange) links between customers, carriers. Customs and other organisations. Tight operational control

and fast reporting of management information is now very much the name of the game, and express operators are investing millions of dollars in new computerised control. tracking and reporting

TNT, for example, earlier this year placed a multi-million dollar order for new computers with Hewlett-Packard. The order involves more than 200 HP 9000 Series 800 computer systems, which will be

At UPS we can handle your Express shipments to over 180 countries and territories worldwide. And usually for less than the competition. But we also know there are shipments you would never think of sending Express. Their nature or size dictates a different need.

installed in 35 countries. Another big spender in the information technology field is UPS. The company has invested about \$1.5bn in new IT development over the last few years. This year, it introduced a cellular technology, nationwide mobile data service in the US, which will enable UPS to transmit package delivery information from its 50,000 delivery vehicles for immediate customer access. The system, said to be the largest of its kind in the world, has cost

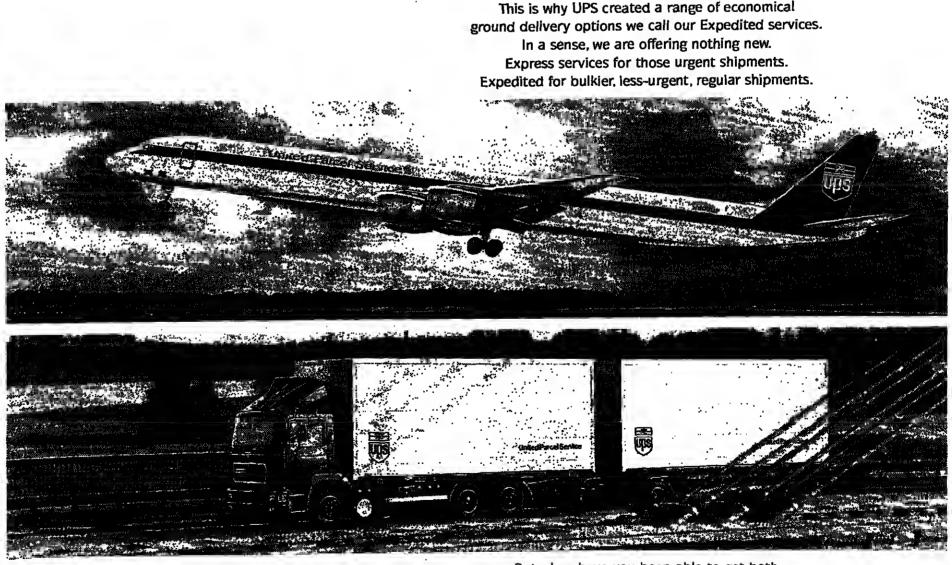
about \$150m to implement. Domestic express compani too, are investing heavily in IT. Birmingham-based UK national carrier Elan recently spent £2m to improve its own internal systems and provide additional benefits to custom-

in Europe, the pace of information technology and general express industry development is being further accelerated by the advent of the EC Single Market As manufacturers and suppliers make greater use of centralised warehousing/distribution, they increasingly require fast, frequent, reliable delivery.
Other developments are

inspired by the coming of the EC Single Market. They include a renewed focus on the use of road transport. Removal of border controls within the Community now makes most markets accessible by truck within two days. Encouraged by this development, express companies are stepping up their use of roadservices, thereby freeing costly air systems for urgent traffic. TNT. UPS, Emery Worldwide and Air Express International are among the big air express operators who already have such road-based operations and DHL is thinking of joining

However, the sheer scale of the investment needed to keep abreast of the latest developments in a fast-changing industry, coupled with the high costs of fixed operational systems, means that operators' profit margins remain under heavy pressure. Even some of the largest operators are incurring big losses in some of their

THE SPEED OF A DELIVERY **DICTATES** THE COST. (THAT'S WHY WITH UPS You DICTATE THE SPEED.)



But when have you been able to get both from a single shipping company with the added benefit of UPS predictability? Express or Expedited. When the choice is UPS, the choice is yours.



As sure as taking it there yourself

ULTINATIONAL manufacturers and suppliers are increas ingly demanding express services which can distribute their goods worldwide with a standard level of delivery per-

Fuelling that demand is the now well-established trend for manufacturers to reduce stocks or inventories and produce goods much closer to

Confirming those points, a recent World Bank survey of 1,000 global shippers showed companies expected their fre-quency of annual inveotory turnover to rise 60 per cent between in the 10 years to 1996. Order cycle times were expected to drop 40 per cent over the same period, with certain sectors of industry showing even greater change:

Some electronics companies, for example, have already reduced their average order cycle time from 23 weeks to five weeks over the last 10 years. By 1995, the average order cycle time for the indus try is forecast to be down to less than two weeks. Such dramatic changes have important implications for the international express industry.

"As global sbippers reduce their inventories and turn those invantories more frequently, they also demand sborter order fulfilment times from their suppliers and quicker delivery commitments from their transportation comcommented Mr nanies." Charles Malone, Federal Express vice-president sales in Hong Kong at last month's Air Freight Asia '93 conference in

Sapporo, Japan. The problem for the express companies and their competitors is that in order to meet those demands properly, they need global service networks. Developing that coverage is so costly that only a small number of operators can genuinely claim to run worldwide delivery networks. Even those companies are now in many cases increasingly developing alli-



Shippers have global aims, says Phillip Hastings

The whole world's in their hands

ances and partnerships to help sustain such operations. In line with that trend, Mr

John Mullen, chief executive officer of TNT Express Worldwide, believes that in spite of the recent relative calm in the world express industry after a spate of joint ventures and amalgamations, further changes are in the pipeline.

"Rationalisation is hy no means over yet. I believe there will be a number of changes on global scale. There will be more capacity-sharing and better utilisation of assets in the Industry, particularly on a regional basis," he says.

TNT itself provides a good example of those trends in action, having formed a joint venture international express company with GD Net, an organisation established by the post offices of Germany, France, the Netherlands, Sweden and Canada, some 18

Some electronics companies have cut their order cycle time from 23 weeks to five

months ago. Further support for the idea of joint ventures and alliances comes from Mr Klaus-Michael Kuehne, chairman and chief executive of Swiss-based global freight forwarder Kuehne &

■ EUROPE'S SINGLE MARKET OPPORTUNITIES

The roads become

He says that when studying which markets to serve, forwarders and express companies have to decide whether they can do it on their own, irrespective of the enormous investments required for that kind of venture, or combine the strength and synergies of different service providers in new forms of co-operation.

"One option could be strategic alliances with chosen competitors with clearly defined activities in the field of specific market distribution," he told last year's World Express & Mail Conference in Munich. Germany

Another option could be a joint venture forwarder and a cargo-minded airline, with a

selected number of competitors or a combination of both, to become a key player in express activities." The most substantial exam-

ple of co-operation between airlines and express companies. or integrators as they are sometimes known, involves DHL Worldwide Express, It is developing increasingly close links with German airline Lufthansa and Japanese carrier Japan Air Lines which now each hold a 25 per cent stake in the courier/air express com-pany. As part of the same development, Japanese trading house Nissho Iwal has built up a 7.5 per cent stake.

Mr Patrick Lupo, the Brussels-based chairman and chief executive officer for DHL international, claims the company's alliance with Lufthansa, JAL and Nissho lwai "significantly strengthens our nplift and long haul capabilities and enhances

DHL is cooperating with big airlines by using its regional networks to reach final destinations

our airport handling capacity throughout the world". Customers, he adds, get access to a mncb hroader menu of ser-

Current examples of co-operation between DHL and Lufthansa include activities at

the air express company'a recently-established Nordic area hub in Copenhagen, Denmark. DHL has become the anchor tenant, with around 40 per cent of the accommodation, in a new facility developed by a consortium including the German airline.

In a similar vein, DHL plans to become a major tenant of JAL's new cargo facility at JFK Airport, New York. JAL is currently investing something like \$100m in what was a former Pan American cargo terminal to make it one of the most advanced facilities in the

DHL is co-operating with both JAL and Lufthansa by using its own regional bub and

spoke distribution systems in markets auch as the US for the onward movement to final destination of freight carried on the two airlines' longhaul air-

Leading forwarders, too, are looking to establish closer relationships with airlines in a bid to compete with the express specialists. But, warns Mr Kuehne, co-operation between airlines and forwarders needs to be improved if such moves are to succeed. The traditional role of tha forwarder as an agent of the carrier, fulfilling a kind of sub-contractor fune tion, is no longer sufficient, he

"In future, you will have to offer the best possible service as one product. And that should be a joint product of the airline and the forwarder. It should be developed jointly and offered jointly." he says.

Rather more controversial is the idea that express companies and traditional freight forwarding agents could also benefit from working together on a global basis. Mr Malone of Federal Express said some industry leaders were convinced that agents and integrators would only realise their growth potential hy working together as a team to serve global shippers. But there were many others in the industry who did not share that view.

Some agents feel the inte grators are trying to put then out of business, that the integrators are disrupting agents' and infinence on the shippers. Integrators, on the other hand have invested millions of dollars in service networks to meet new shippers' demand and feel this segment of the

business is fair game," he said. Federal Express, claimed Mr Malone, felt the answer lay somewhere between those different views and that the global shipper could be best served when agents and integrators worked as a service team. But he admitted forging such alliances would not be

EARLY enthnsiasm among express industry companies for the rapid development of their own large Enropean networks has now been replaced by greater caution and an

firmly under control. Recession and the sight of both leading international operators and domestic companies having to retrench after finding it too costly to develop or sustain intra-European networks have had a salntary effect on the Industry as a

urgent need to keep costs

More positively, the advent of the EC Single Market and intra-EC border controls has stimulated some new express industry development. In particular, there has been a noticeable expansion of road-

based delivery services. Still to be resolved, though, is who will be the longer term express industry winners and losers in the Enropean market.

Some observers claim only established international operators have the experience and resources to be successful. Mr Bryan Draper, managing director of UK domestic parcels carrier Elan, maintains that in order to offer a total package, express parcel delivery companies cannot serve

Europe alone. "I believe that parcels companies without a full international pedigree are going to receive extremely bloody noses from the guys who are not only there already but who are also geared up for the future with very experienced and wide open eyes," he says. Other express industry

observers and service operators, though, disagree. They

longer and clearer believe there is room in the intra-European market for well-organised alliances and

partnerships between leading national or regional operators. Leading UK overnight parcor Omega Express (SOE), for instance, has set up its Network Europe operation on that basis. Plans include developlng a 48/72-bonr road-based cross-border trnnking network, sub-contracting most of the domestic pick-np and delivery operations in each

Amtrak, recently introduced a new Enropean express road/ ferry service called Airtrak Roadlink, operated in conjunction with Continental delivery agents, to join its established European courier and express operations. United Carriers plans to launch a "comprebensive" range of Enropean express parcel services in June as part of a system called General Parcel being established by a group of companies in different countries. And Seabourne Express Group is using the European rail network to develop delivery services to Belgium, France, Germany and Italy.

country to local operators.

Another UK parcels carrier.

Meanwhile, Mayne Nickless group UK parcels carrier Par-



In the bag: BA World Cargo's Kevin Hatton (centre) and colleagues

celine is stepping up promotion of its Enroline service which was launched last year to provide 36/48-bour roadbased delivery to 14 European countries. A daily trailer runs between Parceline's UK hub at Birmingham and a Continental bnh at Boom, Belginm where traffic is fed into the networks of various European

delivery partners. A key advantage of using profitable," he says. In fact, Parceline recently

such a system, claims Mr Colin Milihanks, Parceline chief executive, is that it keeps down costs. "From day one, we have been able to offer a comprehensive service which is low cost and does not rely on considerable increases in volume in order to get down the conventional cost curve. Consequently, it was immediately

cnt rates for the Euroline service, although it will not give precise figures. Rivals claim the move reflects the increasingly tough battle for intra-Enropean express traffic. Parcelloe maintains it simply reflects the economies of scale being gained through increased traffic volumes

TNT freighters: there has been a noticeable expansion of road deliveries

being handled by the service. Either way, the reduction of rates for Euroline fits in with a widely-predicted longer-term trend towards lower prices in the European express market. That point was highlighted by Mr Tony Keating, Enropean director of logistics for international parcels giant United Parcel Service (UPS), when he spoke at a recent postal and parcel services conference in London.

He claimed that rates for overnight delivery of parcels within Europe were still around twice those for similar operations in the United States. But with the advent of the EC Single Market, the gap should start to close. To make his point, he compared the published full rate tariff for delivering a parcel overnight in Europe, for example between Glasgow, Scotland and Amsterdam, the Netherlands, and over the same sort of distance within the US, say between Indianapolis and Phil-

For overnight delivery by air in the US, a three-kilo parcel would cost around \$20 and

adelphia.

Border controls have gone and central warehousing and distribution are increasingly viable

a 16-kilo parcel \$37. And by road, which would give nextday delivery although not next morning, the rates could be as low as \$2.80 for the three-kilo

item and \$5 for 10 kilos. Full rate tariff for the Glasgow-Amsterdam overnight delivery, continued Mr Keating, would be around \$44 for a three-kilo parcel and \$70 for the larger item. Even discounted rates would still he around \$30 and \$49 respectively.

Main reasons for that disparity, he said, were the huge economies of scale in the US market, greater efficiencies brought about by fierce competition and the wider use of technology like vehicle/computer communications.

"The huge economies of scale are probably the most important factor in this. But as larger operations appear in Europe, I see no reason why these economies should not be achieved over bere," com-

mented Mr Keating. In line with the move to reduce costs for express delivery services in Europe, and boosted hy the removal of intra-EC border controls, leading operators are beefing up the development of road-based services to run in tandem with their more expensive air

Mr John Mullen, chief executive of TNT Express Worldwide, believes there is going to be further substantial upgrading of European road trans-

port operations and more competition. "We are almost certainly going to witness some important entries from over-seas, particularly from the US, who view the European road market as a big opportunity,

As if to confirm that point US airfreight/air express company Emery Worldwide earlier this year launched a new roadbased intra-European operation called Cross Continent Service. Initially available within the EC, future plans for CCS include extending the service to cover countries outside the EC, for example in Eastern a general belief among express companies that developments in Eastern Europe are opening

Z to a

Z.

up new opportunities. For the moment, though, the most immediate stimulus for European express industry development is the arrival of the Single Market. In addition to the removal of border controls, increased viability of centralised warehousing/distribution is generating demand for fast, frequent, reli-

able delivery systems. Not all EC developments have been positive for the express industry, though. VAT issues are causing uncertainty and there is concern over the ontcome of the EC Green Paper on postal services due to bave been discussed this month by European Council Ministers. Express companies want to know how far crossborder mail/express services will be deregulated, what will he reserved for the post offices and how such "reserved" traffic will be designated.

Phillip Hastings

Y late summer the Red Star express parcals husiness will be under new ownership. The information memorandum giving potential purchasers a comprehensive commercial and operational insight into the business is expected to be available by the end of May.
Once available the sale will

be advertised inviting hids for "We expect there to be a great deal of interest in the

sale," says Dr Glyn Williams, managing director of the BR Parcels Group. "I cannot divulge the number of companies who have so far expressed interest but It is likely to be between one dozen and three

All companies applying for the memorandum will bave to sigu a confidantially agreement as it will contain sensitive commercial information. Few companies have yet declared a firm interest although press reports suggest that a number of the leading road-based operators will apply for the memorandum. One definite is a management buy-out team including six existing

Red Star managers. Because Rod Star does oot run trains the sale does not require any enabling legislation as is the case with the privatisation of other parts of BR. Once the memorandum is

issued the sale process is expected to be fairly quick.

The present management team has basically over the past year or so been making Red Star a leaner and fitter organisation to increase its productivity and competitiveness. The emphasis of these changes bas been on rationalisation, sarvice improvements and Increasing quality to the

Previously comprising four divisions, the BR Parcel Group has been reduced to two: Red Star and the Rail Express Systems. The latter handles the £40m a year contract with Royal Mail.

Red Star previously consisted of domestic and international businesses. The unprofit-

Up to three dozen companies are believed to have inquired about the pre-sale information

able international traffic was chopped with the exception of some parcel traffic into Europe and a successful business to Ireland. These are now merged in with the domestic husiness.

Track 29, a division operating a palletised service for heavier parcels was sold to the road agents which handled the collection and delivery last September because it was not

The bidders are gathering making money and needed considerable investment.

"We managed to reduce our losses by massive productivity deals and we have looked very bard at every penny we spend," explains Dr Williams. This involve the loss of some 300 johs through the last finanyear to the present 1,300 and also the number of parcel outlats has been steadlly reduced over the past two years from 500 down to a core

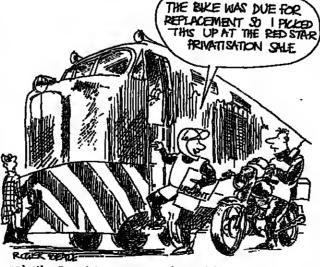
These steps have considerably improved the Parcel Group's financial performance. In the 1992/93 fiscal year to the end of March, turnover amounted to £47m. In that year "we substantially reduced the losses incurred by Red Star which for 1991/92 which are more or less on record at being £11m." commented Dr Wil-

"I am not able to tell you the losses in 1992/93 hut I can sav that they were roughly half at those in 1991/92, so we are making very considerable progress." The exact figures will be in the sale memorandum.

"Thia has been achieve

through very substantial cost

liams.



British Rail sell-off will start with disposal of Red Star parcels business

reduction," explains Dr Williams. "We have suffered like our competitors and the total market has gone over the last three years because of the recession and we are suffering although our market research does indicate that we are not suffering any more than anyone else. We have managed to maintain our market share of about eight per cent through the recession.

"We have had declining revenues but in the last four or five months it has been fairly flat but I cannot talk about green shoots yet," observes Dr Williams. He is hopeful that as the economy picks up, so Red "A ooe per cent improvement

more than one per cent improvement in our business", Red Star's key advantage

over its competitors is its same-day business, he it door-to-door or station-to-station. Dr Williams describes it enthusiastically as "being mar-vellous, really really good."

Its next day services provide door-to-door options of delivery before 9am, before 10,30am and hefore 12 noon. There is also a next day station-to-station option. The next day services account for the largest propor-tion of Red Star's business but same day is the premium traffic, which probably represents a major attraction to potential purchasers.

As part of preparing Red Star for the sale a train space agreement is currently being negotiated with BR to ensure the new owners access to trains, especially InterCity, the cost of access to platforms and to put into longer term tenancy agreements the already existing annual agreements for renting the shops which serve as Parcel Points

Recession has meant that

customers have traded down, moving from same-day to nextday services. In a move to combat this from last October, Red Star introduced completaly revised charges which included substantial reductions; increased its sales and marketing activities and introduced a completely redesigned range of corporate and sales literature. The number of area managers was reduced from 26 to II and administration streamlined.

As part of the cost cutting review the operation of some 65 road agents bandling all Red Star's collection and delivery operations and accounting for 20 per cent of all costs, was reviewed. To improve quality to customers Red Star is working through BS5750 with

Recession has prompted customers to trade down from same-day to next-day deliveries

accreditation due in July for all its sites. This is part of Red Star's total quality management programmes.

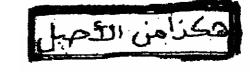
Further productivity gains could be achieved if investment was made in technology to enhance its existing systems but there is a hold on such expenditure until after the sale. "We would like to spend several million pounds on

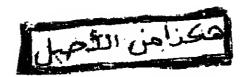
improving our current technology which would make our operations cheaper to run and on which the payback is excellent", says Dr Williams. There would also be more job cuts.

Two new Parcel Points have been opened this year in Brentwood and Glasgow where business justifies them. Delegation of responsibility down the management lines has also resulted in a number of local initiatives taking advantage of niche opportunities to boost husiness. "This includes a cou-rier service in Glasgow city centre. For the future Red Star has been talking with BR's European Passenger Services about operating express parcel services using Channel Tunnel train services. There will be a limited space available but same day options at a three hour service from London to Paris or Brussels could open up a whole new business area. EPS will be marketing this space to all operators interested in using it so there will

be no exclusivity. What it does highlight is the emergence of high speed rail services as a growing alterna tive to air and road based express carriers. With the high speed passenger network devel oping year by year, the range of rail-based services could develop considerably.

David Robinson





COURIER AND EXPRESS SERVICES 3

Richard Evans tries to unravel the great UK parcels sell-off mystery

Red tape and sealing wax

THE long term structure of the parcels industry remains unclear following further delays hy the government in reaching a decision on how to privatise the Post Office and float off its Parcelforce divi-

Mr Michael Heseltine, trade and industry secretary, has yet to decide whether to sell off the Post Office as one unit or break it up into three - the Royal Mail, Post Office Counters, and Parcelforce. No clearly preferred option has yet

Mr Edward Leigh, tha trade and industry minister with direct responsibility for the post office, is a strong supporter of privatisation, but he is understood to have accepted that the measure might have to be delayed until next year or beyond.

The sale of Parcelforce could still proceed without primary legislation, though. Under the British Telecommunications Act, 1981, Mr Heseltine has the power to sell Post Office subsidiaries, hut he is thought unlikely to take a decision on this part of the privatisation process until he has decided on the overall form of the sale.

This caution comes as a great disappointment to the senior managers of Parcelforce following Mr Heseltine's announcement last July that he intended to privatise the

PREDICTIONS that the

expanding global networks of

leading express companies and

activities by airlines would

squeeze ont independent

wholesalers are proving wide

There were a number of sig-

nificant casualties in the

wholesale sector in the late

1980s but surviving wholesal-

ers are now generally expand-

In line with the overall

co-operation in the axpress

and air transport industries,

they are increasingly develop-

director of John Menzies

Group wholesale express com-

pany Menzies Worldwide Dis-

tribution (MWD), believes that

sort of co-operation is the way

ahead for independent whole-

business - flying aircraft. An

airline can do a deal with us

salers during the 1990s.

to sustain that expansion.

towerds greater

of the mark.

trend

post office division.

However, two weeks later, Mr Heseltine made e further announcement of a fundamental review of the future status of the Post Office. The two have been inextricably linked ever since and the future seems as unclear as ever,

Mr Heseltine said that financial support would be made available so that management and employees could bid for Parcelforce, but private sector groups have also expressed an

Mr Malcolm Kitchener, managing director of Parcelforce, is

'It is harder to win new business when people know there is a big decision in the offing'

philosophical about the delay, although he would clearly like the uncertainty to end as soon as possible. "We have been in limbo and it has not been an ideal situation. It is unsettling and it is harder to win new husiness whan people know there is a big decision in the offing," he says.

Nevertheless, Parcelforce has held its own in the very difficult trading climate created by the recession. It currently holds nearly 30 per cent of the non-urgent market and about 25 per cent of the total market

including express services. This makes it the largest UK parcels delivery organisation with an annual turnover in excess of £500m.

Considerable progress has been made in knocking the organisation into shape for privatisation as, in contrast to the Royal Mail division, with Its monopoly in letters delivery. Parcelforce has made substantial losses in the past.

It notched up a loss of £131m in the year to the end of March, 1991 hut this was reduced the following year to £24m with a programme of cost cutting, voluntary redundancles and the introduction of high-tech equipment and support services. In the financial year just ended more progress has been made with e reduction of costs of another £14m.

"It obviously gets harder all the time, but we will get there. What we need to do is get on with our business plan as that is where further benefits will come," says Mr Kitchener. He joined Parcelforce from Fisons pharmaceuticals division early in 1991 as finance director and became managing director in August last year.

The business has taken great steps to distance itself from the Post Office and the nationalised image it represents. It began with the setting up of a separete parcels division within Royal Mail in 1986, the

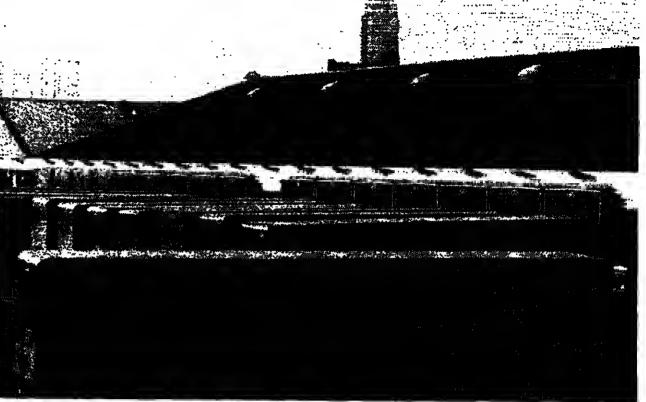
in 1989, and finally the dropping of the Royal Mail prefix entirely last year following success in establishing a separate identity.

Parcelforce makes commercially based payments to the Post Office for the use of its services, such as access to Post Office Counters and delivery to rural areas, and although it does not charge value added tax on its own services. Parcelforce is in turn is unable to reclaim an estimated £12m a year for costs incurred on items such as petrol or over-A five year £250m invest-

ment plan was launched last year to upgrade the network of depots covering 28m UK addresses in the UK, the 10,000 strong vehicles fleet, and infor-mation technology. It is investing £15m in e high-tech sorting centre et Liverpool due to be fully operational next year.
"Our overall strategy is

geared to improving both cost and quality in all areas of our husiness," says Mr Kitchener. "We have invested in high-tech equipment and have undertaken a restructuring and upgrading of all our services to meet the growing demand for guaranteed next day delivery and one-stop shopping."

It is the guaranteed next day delivery that has been the weak link in Parcelforce ser-



vices until now. The organisa-tion delivers over 180m parcels cent of the market. It is this a year, hut mostly in the two or three day "non-urgent" market, even though around 95 per cent of customers come from the husiness sector.

Research shows there is e trend towards time-guaranteed services, and it is estimated that next day services could

on one carrier which is then

transferred on to Virgin

flights for onward movement

Meenwhile, US carrier

United Airlines has over the last year developed a whole-

sale airport-to-door service

between the UK and the US in

conjunction with MWD, Simi-

potentially more lucrative area, at present led by Securicor, that Mr Kitchener is anxious to attack.

At present Parcelforce takes only e small slice of this sector, although volume growth on its next day service increased by 50 per cent in

1992-93, and so far this year It has secured £10m in extra revenue from its 24 hour express service.

It now offers a network of three time-guaranteed services, Parcelforce Detapost, Parcelforce 24 and Parcelforce 48. These ensure delivery by 10am or noon the next morning.

two days respectively. Mr Kitchener and his colleagues now await some form of privatisation with Impatience. They do not believe it would make a big difference to the way the business is already conducted in a highly competitive environment, but it would end the uncertainty and allow

business plans to be fulfilled.

After a heavy battering, the surviving wholesalers show they still have a role to play, says Phillip Hastings

Meaner and fitter after the recession

requirement for someona to handle their more urgent package traffic to established courier/express operators seeking a neutral organisation to cover rontes where they leck the traffic volumes or presence to handle everything

Wholesalers tend to fall into ing partnerships with airlines one of two categories. The first involves independent compa-Mr Larry Woelk, managing nies like MWD which specialise in that particular business. Another is International Bonded Couriers (IBC), a US-based company with a Euro-pean office in London which specialises in handling traffic for Latin America. The second group involves operations "Airlines are increasingly

larger international airlines.

Britiah Airways, for instance, has an organisation and because we are a wholesaler, we can service the entire called Speedhird Courier which has built up a worldagent community," he claims. Wholesalers work on behalf wide network of wholesale courier services. British Midof e wide range of freight land operates similar services industry companies - from traditional forwarders with a within Europe and also has a

worldwide shipments called International Cargo Marketing. Air France recently con-solidated all its express prodncts under one generic name -Air France Express - to highlight its renewed focus on holesale operations.

It was that sort of involvement by leading airlines which led to suggestions that the days of the independent wholesale express company might be

However, many airlines have struggled to develop successful express operations and there is a pronounced trend for many to work with outside wholesalers.

old wholesale courier/express company Bridges Worldwide already has close links with e number of leading longhaul airlines. The company initially launched services hetween London, Singapore and Sydney with Singapore Airlines and is now UK agent for that airline's courier products. Bridges also works with South African Airways for services into Southern Africa, Gulf Air for the Middle East Gulf and Virgin Atlantic Airways for the US and Tokyo,

Japan markets. In the case of Virgin, Bridges is the airline's general

In Europe, with the advent of the Single Market, the airbome business will benefit from a reduced need for on-board couriers to accompany shipments and

to lodge documentation with Customs authorities

products worldwide. VETV

Virgin and we help them to develop their express products," comments Mr Gary Kendall, general manager for Bridges Worldwide. "All the airlines we work with can take advantage of our worldwide network - for example, we get traffic coming in from India

handling egent for express lar services are now being developed out of Spain, Belis also talking to "a couple of other international airlines" about developments similar to

> carrier. Within Europe, the advent of the EC aingle market is expected to boost regional air courier wholesale operations.

> its partnership with the US

Specifically, the husiness should benefit from a reduced need for on-board couriers to accompany shipments and lodge documentation with Customs authorities.

Mr John Wilson, marketing manager express products for British Airways World Cargo, pointed out that up to the beginning of this year, the carrier's Speedbird organisation used couriers for all European services. Now, he says, it is beginning to dispense with them on some routes out of London, starting with those to Germany and Belgium, and is also planning to increase the ncy of services.

Apart from London, the only tional Speedbird Courier services et present is Birmingham which has routes to Milan and Brussels. "In future, we will he looking to open np direct services from places like Glasgow and Manchester to the Continent and also, fur-

ther down the road, to start

hringing in Continentel regional airports," be added. British Midland is taking a similar path. The airline has already dispensed with onboard couriers for its wholesale services between London and Dublin, Frankfurt, Brussels. Amsterdam and Paris, It is launching new direct conrier services between points

such as Belfast and Amster-

dam, Glasgow and Paris and Birmingham and Brussels. This month we are also introducing a new product, e sameday priority wholesale courier service from IIK regional points like Glasgow, Edinburgh, Belfast, Teesside and Birmingham to the Contitransfer at London Heathrow,"

British Midland added. However, some general European wholesale courier/express service development is still heing slowed down hy continuing differences in the way individual EC Customs authorities treat con-

rier shipments. The UK Customs, for example, now allow airlines to send EC-bound courier traffic without an onhoard conrier, as are their counterparts in Germany, Belginm and the Netherlands. Customs in France and Italy, though, are currently not prepared to make that concession for services which carry worldwida shipments in transit as well as items moving solely within the EC.

yon take our London-Frankfurt route, for example, that carries both UK-originat ing traffic and also traffic which has originated in New York and been transshipped in London for onward movement to Germany," pointed ont Mr Wilson. "So for the moment, we are going to have to retain on-board couriers on certain flights to cater for that International traffic."

On-board courier service customers hoping that the sonally to accompany EC traffic will cut costs ere also likely to be disappointed. Any savings on costs through not using couriers will be counterhalenced hy edditional ground-handling service and systems costs, warn wholesale courier service operators.

721

Claire Gooding studies a mobile tracking system that boosts security and reliability

Danger: nervy computer on board

Temple says he has always been an enthusiast for any

advances in communications

technology which enable his

company to improve its service. Link's fleet of 40 vans and

motor cycles handles around

1,000 national and local jobs a

week from its Heston, Middle-

sex base. Temple has moved from tone-only pagers in the

1970s into private mobile radio

in the 1980s, and for the last

two years, the company has used Band 3 radio, enabling it

to take customers from e much

wider area than the M25 corri-

Temple sees Datatrak as e

leap ahead of telephone and

radio communications. Each of

Link's 20 vans now has an

antenna and locator unit

which enables the controller to

see the exact location of

vehicles to within 50 metres'

accuracy, via a signal that is

updated every 108 seconds.

(Security companies operate the more expensive eight-sec-

The chief benefit is the effi-

cient deployment of resources.

"in the early days it was

acceptable to collect within the

hour," says Temple. "Now cus-

tomers expect 10 to 15 minutes.

With this system we can use

the closest vahicle. It is also

very impressive in giving accurate feedback to the customer

who is chasing a consignment

"We can paint a picture for

them - it's doing 60 mph on

the A308, or just about to pass

The console in the van

includes a small printer and a

keypad. The driver can glance

at a message as it is printed

out and tap a number into the

keypad in acknowledgment.

junction X on the motorway."

ond option.)

on the phone.

ANYONE stuck in traffic lances and London Transport. behind a Securicor Detatrak van sees this warning embla-zoned on the doors. "Securicor vehicles are fitted with Datatrak, an automated vehicle tracking system. Should the vehicle be stolen, or unlawfully removed, Securicor will track lts precisa movements, and will pass that information to the police immediately." Securicor developed its Data-

trak system to track these cash-in-transit vans, to provide continuous automatic real time reporting of location and sta-

Between 1988 and 1991 the system was extended to include two-way messaging. Each vehicle has a small computer unit which receives signals from the nationwide transmitter network.

Tha data gathered is then sent via a network of base stations and displayed on a series of digital maps on e colour screen in the controller's office. Users of the Datatrak service include police, amhu-SURVEYS INFORMATION

SURVEY SYNOPSES

ADVERTISING

The first independent courier operation to use the Securicor Datatrak system was Link Couriers at Heathrow. Dick Temple, Link's founder and managing director, says it helps to fulfil the two things which matter most to courier clients, "speed of response and some feedback on where the parcel is and when it will be deliv-

When Temple first set up in the courier husiness in Godalming in 1975, communications technology was non-exis-tent, or at least limited to using the customer's telephone to report a delivery. But the 1980s saw great leaps in the technology available: private mobile radio, onlina databases, even barcoding for monitoring what arrived where and when. Now mobile data and satellite communications are providing increasingly sophisticated

In the last two years, large companies such as Securicor. Parceline and Royal Mail have

Tel 071 873 3763

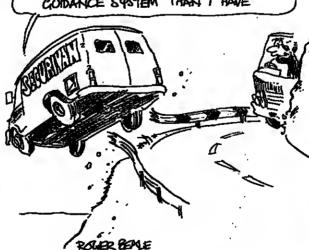
Fax 071 873 3062

Tel 071 873 3213

Tel 071 873 3213

Tel 071 873 3763

invested millions on information technology. Countrywide YOU'VE GOT MORE FAITH IN THIS COMPUTER networks have created the GUIDANCE SYSTEM THAN I HAVE infrastructure for Automatic Vehicle Location. Now smaller companies such as Link can benefit from some of that



nifying, for example, whether the van can accept another job or not.

"The next step", says Temple, "is to have proper two-way messaging rather than the one-way message and confirmation from the driver." Another company, Cognito, is already using two-way data terminals on its own network but without Datatrak's location tracking facility which allows the controller to pinpoint a van on a map.

If a van is stolen, its movements are reported immediately to the police

The hardware in each van costs about £600, (the price has dropped from £1,400 two years ago) with radio charges at about £15 per week per vehicle. The controller uses a Compaq connected to the network, costing about £5,000, and the 20inch screen used for the map display is an Eizo monitor, costing another £3,000. Link estimates the system costs it The response is pre-coded sig- around £1,000 per year per van, ogy for the moment, especially

an expense it can easily justify. Link drivers are paid on performance, (commission per completed delivery), not on hours worked, so they are happy to use the system, and find it needs the minimum of

what level of detail is recorded for any one job. For example, Datatrak could solve the problem of policing a large fleet (100 vehicles or more), which might lose a great deal of money if the employees used the vans privately, or claimed unfustified overtime.

Datatrak's potential for policing and control, but that's not what interests him. "It's a service benefit. The customer notices the difference because we are able to give realistic collection times. We would huild a margin into our estimates previously, but now we can say with confidence that we can be there in 10 minutes." He knows that Datatrak might in time be overtaken by

satellite systems, but feels he has picked the right technol-

It is for the user to decide

Fleetway provides modular Temple is well aware of

among smaller courier and



e's Datatrak service. It enables it to tell clients where their goods are at any time

if delivering in urhan areas where radio reception can be patchy. He believes that new advances may include voice/ data lines, and yet smaller onboard computers, the size of a portable CD system, or even, ventually, a watch. Currently his main concern is integrating his Datatrak system with software bought from Marlowbased Fleetway, which manages booking and charging tomatically.

software for administration and online booking, for courier, taxi, delivery and other transport companies. According to Keith Fellowes, group sales manager, Fleetway has 250 users in the UK, and 4,000 worldwide. "Currently we work with both Cognito and Datatrak. This gives users seamless integration making voice-radio contact unneces

Fleetway can use any existing messaging system, but currently finds these two provide the best result. Becky Clark, technical director, sees a largely unexploited market

delivery companies, who, as hardware costs spiral down, can afford to emulate larger companies with online systems. "I reckon that there are at least 8,000 potential customers out there in the UK alone," she says.

Mark Attwood, of Manchester Publishing Company, describes the industry as "paranoid" in the 1980s: "They never talked to one another." His newly launched magazine, Courier Express, has a deliberately high IT content, looking at future trends such as mobile

two companies as proof: Link Couriers, and Dale Express, a fast-growing Croydon-base company with an unusual "one-consignment per van" operation, which is administered by custom-built software from Fleetway. "IT should be the key to

can point to success." He cites

growth in the future," concludes Attwood." I believe it's an investment in Increasing service levels, and research shows thet's an issue that rates above cost for most cusdata. "The people who have tomers."



For details of worldwide services contact: 0345 500 700

Commissioning Editor for the survey concerned, Number One Southwark Bridge, London SE1 9HL, or fax 071 873 3076 or 071 407 5700 Cheques and postal orders for the FT Surveys Index and Back Numbers should be made payable to Financial Times Ltd.

EDITORIAL Information should be sent in writing to the

1993 FORTHCOMING SURVEYS LIST Tel 071 873 3763

£1.20 up to one month previous. Personal callers £1

REPRINTS Quotes available for minimum 100 order

SURVEYS INDEX (past two years) £2

£1.60 one month to one year previous Tel 071 873 3324

COURIER AND EXPRESS SERVICES 4

EMERY WORLDWIDE, one of tbe pioneers of international air express operations, recently announced the formation of a new subsidiary to spearhead its development of worldwide logistics services, writes PHIL-LIP HASTINGS.

That business could eventually become its biggest revenue earner, says the US-based com-

pany.
Together, those two points highlight both the most pronounced current trend in the international express service industry and the reasons for it.

Basically, express companies which initially made their mark hy offering a set menu of fast, door-to-door delivery services, are now increasingly focusing on the provision of custom-designed systems geared to meet the often very specific requirements of mod-

ern logistics operations. Manufacturers are develop-ing JIT (Just In Time) logistics systems, for example, like the ability of express companies to control the total door-to-door movement of their goods hut want services which precisely

meet their requirements. Reflecting those trends, the world's "hig four" express companies - DHL, TNT, Federal Express and United Parcel Service (UPS) - and leading competitors such as Emery and Air Express International (AEI) are all now stepping up their involvement in the broader international logistics sphere.

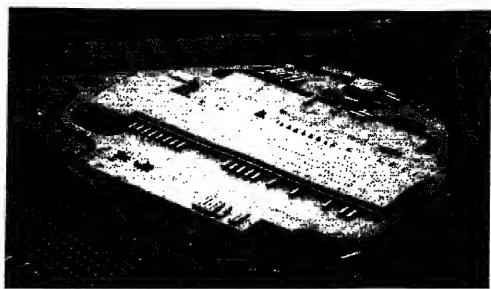
DHL, for example, is developing so-called Express Logistics Centres (ELCs) in various key markets. TNT and Federal Express already have well-established international logistics divisions, while UPS has set up special logistics management teams all over the world and begun establishing new bonded distribution centres.

Emery's new operation is called simply Global Logistics. Mr Roger Curry, the company's president and chief executive officer, says the Emery name has deliberately been left out of the organisation's identity to reflect the intended broad scope of its activities, some of which will be outside the company's traditional mainstream operations.

Global Logistics' services, he continues, will include warehousing both raw materials and finished goods on behalf of customers, taking material into inventory, maintaining computerised iuveutory records, updating the custom ers' computer files, ptcking from inventory, packing and shipping, and re-ordering when

Over the next two years, Mr Curry says value-added logistics services could develop to contribute around 10 per cent of Emery's overall revenues. Longer term, he expects that percentage to expand substantially. "I think we will in future see Emery earning more from that logistics-type activity than from traditional freight services. That is definitely where the future is," he adds. DHL appears to be thinking

along similar lines. Having already broadened its tradi-



Parceline's Birmingham super-hub that automatically sorts 80,000 parcels a day

■ LOGISTICAL SERVICES

Into the big time

tional courier image and activities to embrace packages and larger consignments, the company is increasingly promoting its capabilities as a general logistics service provider.

In that context, the company has now established RICs in Brussels, Bahrain and Singapore, plus a joint venture programme in Amsterdam. Other sites are currently being evalu-

Mr Patrick Lupo, Brussels-

based chairman and chief executive officer for DHL International, says it can take some time for companies to complete the changeover to outsourcing their warehousing from suppliers like DHL. But, he claims, companies which have gone that way, have been pleased

"Our ELC here in Brussels, for instance, is proving particu-larly interesting to non-EC entities which have a need to

distribute products like hightech goods, medical instrumants and oil industry analysis kits," he adds.

Last year also saw launch in the UK of a DHL business unit called interface. Basically, the idea is that Interface team members work closely with specific customers ou the development of their

logistics operations.
UPS last year established its first bonded European distribu-

tion centre - a 6,000 sq metre facility at Best near Eindhoven, the Netherlands - as the forerunner in a series of such developments being planned by that company throughout Europe over the

next five years. The idea is that overseas goods will be brought to Europe by ship or air and held at the distribution centre in bond, under a Customs-approved licence. There, UPS will provide a range of services including warehousing, inventory management and order fulfilment, pick and pack, spe-cialised labelling, assembly and configuration, repair and return systems, and customisation of products for individual markets. Once required in the end markets, goods will be distributed throughout Europe using the UPS air and road net-

One of the main reasons for that sort of service develop-ment is explained by Mr Tony Keating, the head of European logistics for UPS. "More than 35 per cent of the total poten-tial package market UPS is interested in is in the hands of the multinationals. Having established that, we decided we had to do more about meeting the requirements of those customers," he says.

Responding to similar demands, Federal Express **Business Logistics Europe has** expanded its operations with the opening of a new logistics centre near Eindhoven airport. The 5,200 sq metre complex. which is fully bonded, will be

developed as "a strategic base for managing and running logistics operations serving global markets as well as supporting other operations in mainland Europe".

One of the most significant recent worldwide logistics sector developments by Federal Express involved a "radical redesign" of the global logistics process for US semiconductor manufacturer National Semiconductor Corporation.

According to Federal Express, the new set-up will give National Semiconductor a two business-day delivery to all its customers worldwide. Previously, its delivery cycles for international customers had ranged from five to 18

days.

While the trend for express companies to develop widerranging logistics services is most pronounced in the international sphere, similar developments are taking place in domestic markets.

TNT, for example, has a spe-cial contract logistics division in the UK working for a range of clients in industries such as the automotive, electronics and office equipment sectors. Federal Express BLS has a specialised UK division called Systemcare to handle the home delivery of furniture and electrical goods for companies

such as Littlewoods and IKEA Other domestic express carriers are still concentrating primarily on their established delivery door-to-door operations but are increasingly introducing added-value services where they can or where customers demand them

UK PARCELS POST

Sell-off date approaches

EXPRESS parcel companies are generally cautious about

Most leading UK operators report a small improvement which they expect to continue through the year. Others, however, are enjoying double-digit growth but do not say whether they are discounting or from what base they calculate their

Rate cutting remains rife and there is still a lot of overcapacity. As recovery develops overcapacity will shrink but some executives say that there are still too many companies.

Parcelforce estimates 1992 sales of UK express services at £1.81hn of which some 43 per cent is accounted for hy next day services while other guaranteed services command another 20 per cent

Parcelforce itself has seen its next day volumes grow by 50 per cent during 1992-93.

There is much interest about the fate of the two public operators, Red Star and Parcelforce. Red Star, which has made notable progress towards returning to profitability, is expected to be sold by the late summer. The timing for Parcelforce is less cer-

At Parcelforce, it is a case of "business as usual", says Mal-colm Kitchener, managing director. "Our overall strategy is geared to improving both cost and quality in all areas of our business. This involves investment in new depots such as £15m at Liverpool into new vehicles and other technology such as in-cab communications systems. Restructuring is also part of the programme with 50 depots due to be closed as part of a rationalisation pro-

gramme to save £16m a year." Red Star reports that business is flat and has been for four or five months. However its budget for this year allows for some growth from the late summer onwards. Of the two, Red Star is considered the more saleable and a more

manageabla unit. Reducing costs is one of the key ways in which operators are combating the recession. TNT has rationalised tts management and cut its use of subcontractors to save some £6m a year in the UK. It is concentrating on next day services and reducing two and three day operations which have

been losing money. Tom Bell, TNT's UK general manager, says that "order sizes are getting smaller but heing sent more frequently. The use of premium services has fallen from more than 50 per cent to 42 per cent in 1992." He forecasts between two and four per cent growth

"There is no shortage of volume in the market but it is extremely cost conscious." says Colin Millbanks, chief executive of Parceline. "Cost is now the main deciding factor with customers in choosing an operator. They are much more prepared to trade off quality against price." Parceline had achieved a

strong financial performance with borrowings down and net profitability np," adda Millbanks. Over the past two years the company has invested some £2m in developing the parcel management system huilding on its bar coded technology. Quality is being improved, with B\$5750 accreditation of the line-haul operation and its national hub being pursued.

Investment in new technology has been one of Securicor Omega Express's key policies through the recession. The company claims to be the UK's largest overnight carrier with an estimated 15 per cent of the market. It has a throughput of l.6m parcels a week and employs 3,000 vebicles and more than 8,000 parsonnel through 154 branches.

Some companies bave made considerable change in the UK during recession. Lynx, NFC's parcel arm, decided to take the opportunity of Federal Express's withdrawal from

to buy their hub at Nuneaton. This has warranted a change from depot-to-depot trunking to a new hnb-based line hand network linking the 34 depots natiouwide.

"We have improved hub efficiency by 50 per cent which has made a significant difference to our operations," comments Kevin Appleton, Lynx sales and marketing director "We also installed a freight handling ceutre so we can provide a full range of services from a Jiffy bag to a pallet." Over the past six months Lynx has won more than £6m of new business in the autoir tive, pharmaceuticals and electronics sectors.

UPS, after much speculation, last July hought Carryfast, claimed to be the UK's largest private package delivery company to be integrated in its UK domestic operation. "Integrating Carryfast has been undertaken gradually since the purchase." savs Peter Quantrill. UPS's UK chief executive. This integration involves merging



Colin Milibenks of Parceline; cost is now the main factor for customers

Carryfast depots with UPS's International depots where appropriate. To date four out

of 15 have been integrated. Quantrill comments: "Our first quarter was np on 1992. Discounting is rife, an inherent sign of the current market. It is encouraging to be ahead and we will be looking for fur. ther growth through the

The last 18 months bave proved a particularly challenging time for Elan, which was bought out of DHL in August 1991. The company has since moved from losses into profit by concentrating on its speciality overnight service. It offers delivery before 10am, 12 noon and 5pm as well as a palletised service for shipments up to one tonne. It continnes to progress well and won £3m of new business in

the first quarter of 1993. This encouraging growth in revenue comes on the back of record trading volumes for Elan at the end of last year, says Brian Draper, Elan's managing director. "It more than justifies our recent £1m investment in new trucks and

our investment in IT systems." "Recovery has been filtering through since Christmas, says Peter Gent, Interlink's chief executive. "There is improvement in volumes but not price. There does not appear to be any pattern of recovery, or a pattern we can follow, but we are moving about 5 per cent more than this time last year."

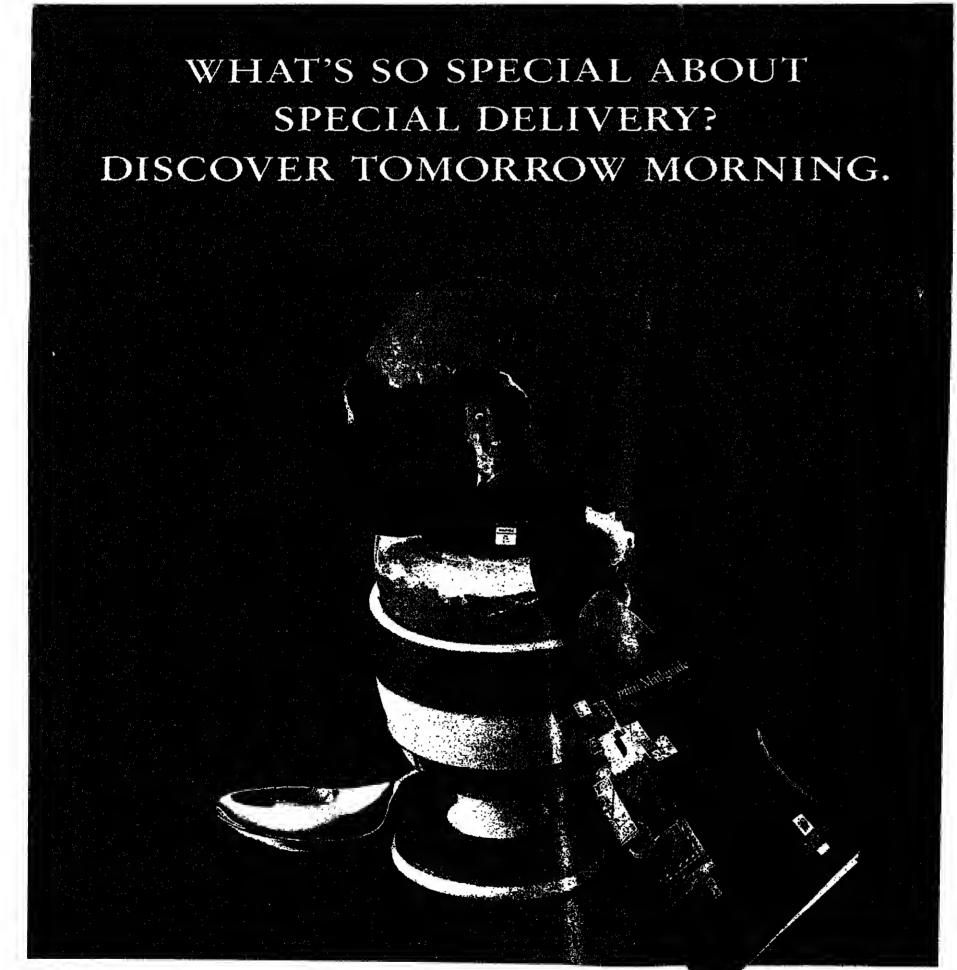
A combination of cost control, better quality of customer service and limited investment in enhancing existing technology systems has been adopted by most operators to cope with the recession.

Few have introduced new services in the domestic market as their ranges were satisfactory for most needs. Some trimming of depot networks has been undertaken by some operators but trying to balance outgoings with revenue has been the main challenge.

As the economy improves and trade expands the impact of rate cutting could lluger and keep revenue flows below what they should be. It is at this time that some trimming of capacity might occur as quality of service to match price as the key deciding factors on which operator to use.

David Robinson

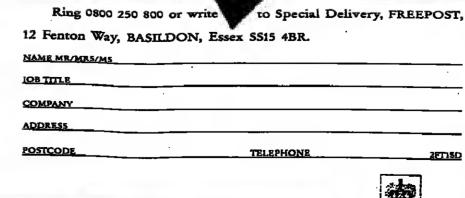
MORMATH

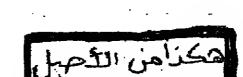


If you don't know what Special Delivery can do for your company, ring 0800 250 800 for a free mini Mailguide. Ring before 2.30pm Monday to Friday and it'll arrive the following morning.

We'll send it Special Delivery. So as well as a full explanation, you'll receive a quick demonstration.

You'll also find details of Recorded Delivery, Registered Post and any other Royal Mail service you can use.





Computar hardware and software

companies, mail-order retailers and

utilities such as BT, the telecoms

group, are among the businesses

which provide cheap or free tele-phone helplines to keep in contact

Prime Minister John Major's Citi-

zen's Charter, which aims to raise

the standard of public services, has spread the practice into the public

sector. Many government depart-

ments and agencies, health authori-ties and local councils are now pro-

viding belplines to provide

Later this morning, the use of hel-

plines in the public sector will take another step forward with the launch of Charterline by William

Waldegrave, the public services

minister in charge of the Citizen's Charter. Initially to be piloted in the East Midlands, Charterline will provide callers all over the UK with

information on what standards of

service they can expect from dozens

of public services and utilities and

how to complain when they fall

Even in the three pilot counties of

Nottinghamsbire, Leicestersbire and Derbyshire, the demand is esti-

mated to be enormous. About 30,000

calls a month are expected by con-

sultants Price Waterhouse who are

managing the project for the Cabl-net Office Citizen's Charter Unit.

having details - names, addresses,

responsibilities, service standards.

complaints procedures - of more

than 200 public service organisa-

tions, including government bodies.

quangos, public transport operators,

local councils, police forces and fire

services. Charterline also takea in

privatised public utilities - water,

gas, electricity and telecommunica-

tions, their regulators and con-

As the service spreads beyond the

pilot area, it will add more organisa-

tions to its database, and will

finally hava details of 1.400 public-

sector bodies. It will also include

some basic information on "out-of-

scope" organisations such as banks,

sumer bodies.

Answering their questions means

below standard.

information to customers.

with their customers.



Manning the hot lines

John Willman looks at today's launch of Charterline, a state-of the art service to keep UK customers satisfied

building societies and airlines. Charterline's aim is to provide the ordinary citizen with more information about the Citizen's Charter and to encourage them to take up gripes with the organisations concerned.

But it will also provide essential management information for the Citizen's Charter Unit in its efforts to improve the public services. For the first time, the unit will have a tool for identifying which services are creating most complaints - and which have the best procedures for dealing with them.

The Charterline service will be run from IBM's National Call Management Centre at Havant, Hampshire. The centre was established last year to handle requests for computer maintenance from IBM's customers. Its 100 operators already handle 24,000 calls a week, 24 hours a day. But Charterline could mean a large growth in call handling at the centre, with 18 new "call agents" required to handle calls from the nilot area alone.

The IBM centre meets its staffing needs through an innovative relationship with Manpower, the recruitment specialists. Manpower is responsible for recruiting the call agents, using a profile agreed with IBM, and remains their employer.

"It gives me the flexibility I need to experiment with new approaches and change things around." saye Mike Colaman, the centre's manager. 'It helps me keep costs to the minimum and I don't have to hire and fire people.

However, quality of service is the key to running a successful hel-pline, says Coleman. Each agent receives five weeks' training which includes customer care, telephone technique, stress training and learning bow the public services operate (there are plans for an NVQ vocational qualification in call han-

Team working is encouraged by grouping five call agents and a team leader in a work station in which they all face each other. A much-coveted monthly "Golden Telephone" award is presented to the best team and team members are encouraged to nominate each other for "Golden Eagle" awards for customer care - these come with a £5 voucher.

Price Waterhouse has set challenging performance targets for the contract: 90 per cent of calls must be answered within 10 seconds, 98 per cent in less than 20. Better response rates are possible, says PW's Robert Browning, but the cost

could only be justified in a commercial environment where additional sales might result.

The success of Charterline will, however, also depend on whether it can supply callers with the information they need. Each call agent watches a computer screen on to which details of calls are entered. The system identifies the organisation the caller needs to know more about and provides details of service standards and complaints pro-cedures. If the caller wants to receive details of the Citizen's Charter, the agent can enter the request for despatch the same day.

The system has been extensively tested by confronting agents with difficult queries. One fiendish tester rang in to ask how be could arrange a meeting with John Major for a man claiming to be a Martian. It is unlikely that many of Charterline's inquiries will be quite so difficult to answer. However, no one can really know if the system will take the strain until the calls start flooding in later today.

One thing is certain: Charterline cannot be allowed to flop. If there is one thing worse than neglecting the customer, it is to invite them to call in and then mishandle their comReports of a new era of UK industrial co-operation may be exaggerated, writes Simon Milner

Do not underestimate the overtime ban

industrial relations as the least of their current worries given the virtual absence of strikes does not necessarily mean a contented workforce. Currently conflict-free industrial relations appear to result more from worker compliance than from co-operation

with management. The UK has seen important changes in industrial relations over the past decade, with many observers now talking of the "new industrial relations". One of the most important features of NIR is the decline in strike incidence since the mid-1980s. There has also been a reassertion of managerial prerogatives, the death of the closed shop and a

slump in trade union membership. According to some, we have moved from an era of industrial conflict to one of co-operation, with workplace relations no longer characterised by "them and us" attitudes, but simply

referred to as "us". The evidence on strikes is fairly clear cut. Fewer working days were lost due to strikes in 1992 than in any other year since records began a century ago. There were only 240 officially recorded strikes last year, less than a 10th of the number 15 years ago. But other evidence suggests that the NIR label may be somewhat misplaced.

A strike has two basic elements: an unsatisfied grievance and an ability to strike. The reduction in strike activity must bave resulted from either a decline in unsatisfied employee grievances and/or a decline in the ability to strike. If advocates of NIR are correct, then a fall in the level and intensity of grievances must be the more important explanation.

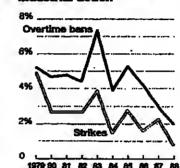
There are at least three points to make against the NIR case. The most obvious is the current spring of discontent, with industrial action at the Timex electronics plant in Dundee, on British Rail and buses, in the pits and in schools. Evidence has also emerged that

the official record of strike activity does not tell the whole story. Alongside the contraction in strike frequency was a shift in favour of the overtime ban.

Using information collected by the CBI Pay Databank survey of manufacturing pay negotiations, research at the London School of Economics* has revealed that, on average in the period 1979-89, overtime bans were twice as likely to occur as strikes. This was not the case throughput the economy. bowever, as public-sector workers have continued to favour strikes

over non-strike action. Why did employees turn

Pay settlements leading to industrial action*



increasingly to overtime bans to pursue their grievances? Contributing factors include: the role of the law which concentrated, before 1988 at least, on stamping out strikes and largely ignored non-strike forms of action; leaner production systems, such as just-in-time and other techniques which made an overtime ban more effective; and high unemployment which appears more effective in discouraging strikes than overtime bans. The common thread is that the overtime han provides a relatively low-cost way for workers to express their

A final piece of evidence on worker disquiet concerns the use of dispute procedures. The recently published Acas report

for 1992 reveals that the statutory advisory and conciliation body was busier than ever last year. Between 1976 and 1988 the use

of collective conciliation closely followed the pattern of strike incidence. But, since then, the paths have diverged.

plummeted to an all-time low, the number of conciliation requests has stayed stable at around 1,200-1,300 a year. The number of individual

conciliation cases shows a more marked trend powards. Last year Acas received more than 72,000 requests, up 12,000 on 1991. In part, this increase results from the recession, since most conciliation cases concern claims for unfair dismissal. But it must also result from a decline in workers' ability to pursue disputes in any other way.

The decline in strike action is welcome. But it results largely from the most disaffected employees no longer being able to take strike action, rather than from an absence of grievances. The fact that some dissatisfaction is still being expressed through non-strike industrial action and the use of Acas suggests that the foundation of NIR is workplace compliance rather than

Compliant employees may be sufficiently productive when labour markets give management the upper hand. But, when (and if) unemployment starts to fall, the absence of a co-operative spirit may lead to problems of employee turnover, absenteeism and a lack of effort.

The ball is firmly in the managerial court and has been languishing there for some time. High-trust employee relations take time to develop and the necessary initiatives must be

* Discussion Paper 136 available from the LSE. Tel. 071 955 7801.

The author is a research officer at the Centre for Economic Performance, London School of

If your corporation is looking for a foothold in Gexmany or intends to broaden its existing base by an acquisition, we can assist in search, approach and negotiation.

As our domestic clients are usually entrepreneurs, proprietors or shareholders of privately-owned German companies, we are well acquainted with their mentality. We are sensitive to this when making approaches and during negotiation and valuation.

If local competence is needed to realize your acquisition goals in Germany successfully, please contact us for further information.

FUCHS CONSULT

Kreuzberger Ring 60 - 6200 Wiesbader Telephone (x 49 611) 70 00 40 · Fax (x 49 611) 71 04 04

"THE COMING GOLD BOOM"!

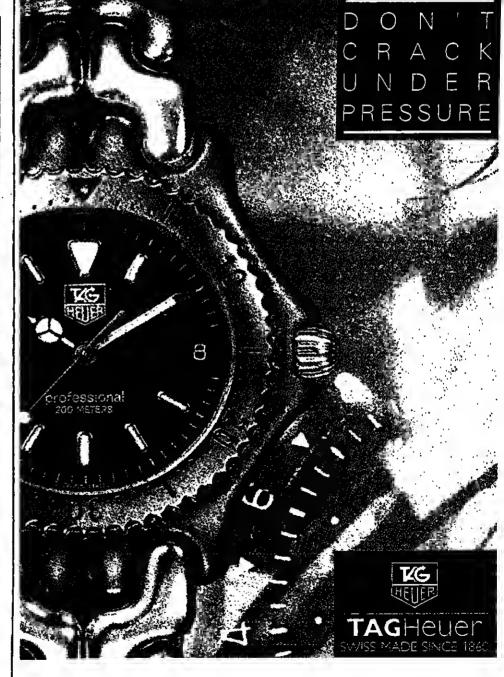


Have You Noticed Gold Upside Breakouts in American Barrick, Placer Dome and Agnico-Eagle?

WHAT SHOULD YOU DO NOW?

WHY NOT DO IT RIGHT NOW, WHILE YOU'RE THINKING OF IT!

YESI Please \$49.0 send me: \$115	O Box 22, Belvedere, Cat 00 enclosed for a brief Look-8 .00 enclosed for 6-month Tria .00 for "Fair Trial" 1-year (24 iss	ee Triai 4-issue I (12 issues).
Payment in US tunds MUST be NAME	orciosed PLEASE PRINT.)	LF18179
ADDRESS		
CITY		
STATE	ZIP	<u> </u>
COUNTRY	<u> </u>	





The Financial Times Classified Columns reach over a million affluent decision makers ALL OVER THE WORLD.

All sectors are accompanied by our renowned and universally respected FT editorial coverage. Why limit yourself when you can reach a truly International audience? To find out more about bow to reach this valuable andience, please contact the number relevant to your sector of advertising, or for general information contect the Clessified Sales Manager at our London office on the main classified oumber.

MONDAY

Conferences and Exhibitions 71 873 3580 **Business Travel** 71 873 3352 71 873 3526 Contracts and Tenders

TUESDAY

BUSINESS: Business For Sale, Business Wanted, Hotels/Licenced Premises; Aircraft For Sale, Plant/Machinery, Business Services, Auctions, Franchising, Office Equipment, Management Courses, Conference/ Seminars, Business Opportunities.

FRIDAY

APPOINTMENTS: Top opportunities, Banking, Finance, Accountancy,

General, Appointments Wanted

COMMERCIAL PROPERTY:

71 873 3211 Commercial/Industrial, International

Business For Sale

Art Galleries, Clubs.

Other Classified advertising ceo be pleced deily including: Leisure Travel, Hotels, Residential Property, Personal, Annouocements, Appesls, Education, Obituaries, Public and Company Notices, Legal Notices,

SATURDAY

Weekend FT

RESIDENTIAL PROPERTY: London, Country, International For Sale, To Let and Wanted. 71 873 4935 HOLIDAYS AND TRAVEL:

Including Essential Hotels and Brochure Panels BOOKS: MOTORING:

BUSINESS: Minding Your Own Business 71 873 4780 71 873 3580

71 873 3352

71 873 3576

71 873 3352

FINANCIAL TIMES CLASSIFIED

> Worldwide Influence Worldwide Response

(010 44) 71 873 4857

Gasification of wood could be a clean, abundant and

renewable power source, writes Joe Kirwin

Hot air fuels the energy debate

ised biomass gasification has been trumpeted at energy workshops and environmental conferences around the world as a clean, renewable power source with realistic commercial potential.

Its proponents emphasise not only the abundant fuel source and the low-level emissions released from hurning the gas from wood heeted at high temperatures, but also the lack of any net increase in greenhouse gases - provided trees are planted at the same rate they are felled.

Just how promising the future of the pressurised biomass gasification is, will become clearer in coming months when the world's most advanced pilot power stations are fired up in Scandinavia - joint ventures between leading utility

companies in Sweden and Finland. The technological hurdle that scientists have faced over the years with pressurised binmass gasification is at the turbine stage. Producing the gas from wood is not a problem, but finding a turbine that does not foul when fired from that gas is. That is because the gas emitted from wood heated to temperatures of 900°C contains various tar compounds, alkaline

new technology to eliminate

soil polintion by applying Inw-voltage electric currents

promises to shave millions of dol-

hills from soil decontamination.

Vincent Mirahella, a consulting

engineer at Southern California

Edison, which is belping to finance the project. The new technology.

which should be ready for on-site

"Good communications, good

with the Local Authority

along with good housing and

good leisure facilities."

DONALD GREENHALGH (Group Chairman) ALLEN plc

WIGAN IS A GOOD PLACE

TO BUILD YOUR BUSINESS, FIND OUT WHY.

CALL LINDA COE ON 0800 220908

OR SEND THE COUPON.

ECONOMIC DEVELOPMENT, WIGAN M.E.C. NEW TOWN HALL, LIBRARY STREET,

WIGAN WHI 1KN.

TELEPHONE NO. ___

NAME -

POSTITION _

labour force, good relation

tamination clean-nps.

Both projects - one, a demonstration plant, in southern Sweden and the other, a test rig. in Finland - are equipped with a filtering technology designed to solve the fouling problem. With a so-called "hot gas cleaning" method, the gases are cooled to 400° °C, when the vapour alkalines such as sodium and potassium and other compounds can be filtered out. The clean gas is then fed into conventional gas turbines.

The two facilities will use each company's hot-gas filtering technology which has heen developed independently. The projects also differ in scope and size. The larger of the two plants in Varnamo, Sweden - is running now. But diesel fuel is firing the turbine. The hot-gas filtering will be put in use shortly and, in the autumn, the gas turbine will produce electricity.

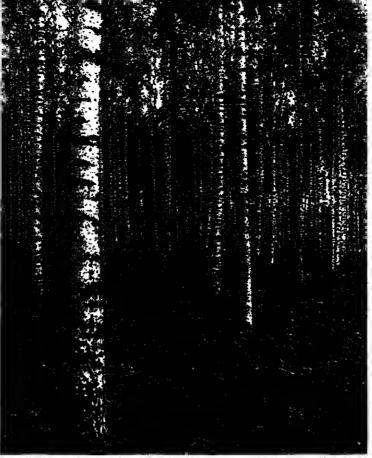
The Swedish plant, run jointly by Sydkraft and Ahlstrom, also uses combined cycle technology where hot emission gases are recovered to heat water for conventional steam turbines. The same plant will also use recovered heat to fire a hot-water district heating system. The total output will he 15MW. The other plant - in Tampere.

gasification research project. Run by Vattenfall of Sweden and Tampella Power of Finland, it will eventually produce 15MW. However, the initial stage, started in early March, will test only the gas cleaning system. Eventually the gas will be channelled into a gas turbine that will also be part of a combined cycle system.

The joint venture hetween Vattenfall and Tampella is a more modest programme than originally planned. A 40MW station to be built in Sweden was shelved for financial

Both joint-venture companies have invested more than \$40m (£26.6m) each on the programme. Some of the money has come from the Swedish government, which faces a long-term energy dilemma due to parliamentary decisions to phase out nuclear power (50 per cent of its current power source) hy 2010, halt hydro expansion and cap carbon dioxide emissions.

Gasification technology is not new. It was developed more than 50 years ago. Today there are amhitious, large-scale coal amhitious, large-scale coal gasification pilot projects under way in both the US and Europe. But gasification of wood has three big advantages over coal: No



Heavily forested Finland and Sweden have ploneered biomass gasification

sulphur emissions, no hazardous waste ash and no increase in carbon-dioxide emissions.

However, because coal is so cheap and has a higher heating value, it is currently less expensive to import for gasification than to collect and transport the large volumes of wood needed in hiomass energy. "That is where a carbon tax must come into play," says Nils Lindman, a hiomass researcher for Vattenfall.

To make it economically viable, the true environmental cost of the other fuels must be charged." Sweden and Finland have carbon taxes but this is just one reason why biomass gasification has been pioneered in Scandinavia. Besides pursuing an environmentally sound energy policy. Sweden and Finland have large expanses of forest.

Another potential environmental benefit of hiomass concerns

nitrogen oxide emissions, which contribute to acid rain and are the hy-product of hurning fossil fuels. Biomass gasification produces nitrogen oxide but again there is a

"A third of the timber cut down for paper and pulp production is left behind and that scrap wood decays and causes nitrogen run-off," says Lindman. "By collecting that scrap wood and burning it, the extraction [of nitrogen] is much higher than the nitrogen burden caused by flue gas emission

There is also the benefit of ash waste from biomass," Lindman added. "This can he used as fertilizer - unlike the waste from coal gasification which must for the most part be landfilled as a hazardous waste." This nitrogen factor is especially important in Sweden where a new nitrous oxide emission tax was instituted in

The success or failure of these biomass gasification plants will have worldwide implications. The Värnamo plant in Sweden will participate in a \$30m Global Environment Facility programme with plans to huild a large-scale hlomass gasification plant in Brazil. The GEF is a joint project between the World Bank, the United Nations Development Programme and the United Nations Environment Programme to help third-world nations implement environmentally sound development programmes.

'We feel that hiomass gasification is one of the few renewable energy sources that could be economically competitive with conventional methods," says Phil Elliot, a project co-ordinator with Shell Oil, which is acting as a co-ordinator in the GEF programme

"The Varnamo plant faces some hurdles because it is a complicated engineering process but I do think they will be able to work out the

using traditional pumping and draining techniques, soil ruptures are likely to occur.

Neither electro-osmosis nor electro-migration will be miracle cures for soll polintion. Both, for instance, are painstakingly slow. Depending on how many electrodes are used, a large field of polluted soil could take from a few months to a year to clean up.

However, the process's supporters believe a year is not too long to wait considering the scale of the problem. With the new technique's promising cost and efficiency advantages, its successful develop-ment could go a long way towards solving the daunting problem of ground-pollution clean-up.

Victoria Griffith

Green maze guide

The environmental industry is hardly short of directories. But the recently published Entec Directory of Environmental Technology* is one of the more ambitious, and if comprehensiveness is the criterion one of the most successful.

Its foreword by Nigel Bell of Imperial College, London, repeats the common refrain that "environmental issues present not only unparalleled challenges hut also unique opportunities". Those unsubstantiated remarks are too casually made in the environmental industry, given the importance of the question. However, the attraction of the directory is not the text but its extensive charts.

lts 1,000 pages in English, French, German and Spanish, list 20,000 companies in Europe supplying environmental technology. The first 800 pages are devoted to classification: water, air, solid waste, hazardous waste, waste planning and management, noise and vibration energy, "environmental organisations and consultancies".

Each section is then subdivided again - for example, water is sliced into 14 mini-sections on water treatment, water pollution, sewerage and so on. The companies which participate in those areas are then marked down one side of a grid, while 30 products, such as fluoridation and desalination, are marked

This categorisation - almost 1,000 groupings - is both a strength and a weakness. It is enormously detailed, but if you are not sure which sub-section you should be looking for, you may find it less helpful.

Provided readers are using it to help them locate technology suppliers, they should be satisfied, but it is less useful to get an verview of what companies do, or of their size. The last 200 pages, however, have an excel-lent index of all the companies' names and telephone numbers.

Bronwen Maddox *The Entec Directory of Environmental Technology. £125, 1024pp. Earthscan Publications. 120 Pentonville Road London N1 9JN.

Charged up over contamination

lars off the cost of large-scale conlow-voltage electrodes inserted in The new technique, being develthe soil to pull ont pollutants hy

oped hy a team at the Massachomagnetic force. Two different methods can be setts Institute of Technology, has used. The first, known as electroattracted the attention of groups in nsmosls, takes advantage of the the chemical, mining and ntility water contained in the soil to flush sectors, which are now facing large out the contaminants. All soil con-"It's essential for us to examine tains some water, and many oew technologies which would do ground pollutants are dissolved in the same joh at a lower cost," says

Water gives the soil a charge. commonly known as the soil pH. If an electrode with a negative charge is inserted into the ground, the water, bearing a positive charge, trials by the end of the year, uses will gravitate towards it, bringing

many of the soil's polintants along. The rest of the soil, which typically carries a negative charge, would remain behind. The electrode could consist of a charged wire running through a permeable pipe which is inscrted into the ground.

The second method, known as electro-migration, complements clcctro-osmosls. The method is especially suitable for arid soll containing little water, and soil bold-ing large amounts of toxic metals. This technique pulls out the pollutants at a slower pace, ion hy lon. When the pollutants reach the electrode, once again water is used to

Communicating

Environmental Policy

6-8 September 1993

A 3-day short course and workshop for marketing, corporate affairs

press/information, public relations, personnel and other employees

·Practical environmental research and writing assignments

who speak for their companies on environmental affairs.

Seminars/workships on disaster reporting

Conventions and Agreements

- EC environment regulations

the media, business and campaigning worlds.

CITY Northampton Square London ECLV 0HB Fax: 071 477 8560

·Developing model environment policy statements

- Corporate environmental policymaking

- International environmental institutions.

- Haw the media report environmental issues

The programme combines practical environmental communication

exercises with lectures/seminars by leading environmentalists from

Contact Bebe Balhan on 671 477 8221 or write to the Dept. of Jour

flush the contaminants ont. "With use of both methods, we

can remove about 95 per cent of contaminants from the soil," says Ronald Probstein, who heads the project at MIT. The electric charge process offers some important advantages. First, the technology would carry a relatively low cost, about \$20 to \$30 per tonne, compared with an average \$150 per tonne for current methods such as excavation and pumping.

"If we used current methods to clean np all the contaminant soil in America, we'd bankrupt the country," says Richard Magee, execu- air polintion problem. And hy

tive director of environmental engineering at the New Jersey Institute of Technology. "Either we find a cheaper technology, or we resign ourselves to living with contami-

The MIT technology also promises to be kinder to the environment than current clean-up methods. Under the excavation and incineration technique, for instance, soil is dng out of the ground and placed in an incinerator to harn off the pollutants. Crit-les complain that this method turns a ground polintion problem into an

PEOPLE

Looking outside the McAlpine clan

Nigel Turnbull, 50, who headed the Rosehaugh property group in the final months before it went into receivership, has resurfaced as finance director of Newarthill, which controls the privately-owned construction husiness of Sir Robert McAlpine and Sons.

Newarthill, named after the Scottish hirthplace of founder Robert McAlpine, is the higger, hut more private of the two construction companies connected with the McAlpine family. The company, which was taken private in 1989, has been hard hit by the recession and reported a £21.5m loss on turnover of £267.8m in the year to

end-October 1992. Although a minority of Newarthill's shares are still

bert Skeiston has resigned.

vens, a committee member of

the Israel Cancer Association.

■ Sir Ron Brierley, Trevor

Beyer. Blake Nixon and Cary

Weiss, all directors of GPG, at BROWN SHIPLEY HOLDINGS;

Jean Adant, Jean Blundeel and

Richard Mansell-Jones have

■ Stephen King has retired

■ Stanley Goldstein at FOR-

Hilary Pinder at COVER-

resigned.

from WPP.

MINSTER

at NUFFIELD HOSPITALS.

publicly traded, the company has long been run along the lines of a family partnership dominated by members of the McAlpine clan.

However, since the end of its financial year it has strengthened ils board with two new non-executive directors - Sir Christopher Harding, chairman of BET, and George Grover, a former senior partner of Dehenham Tewson & Chinnocks - and it has now appointed its first finance

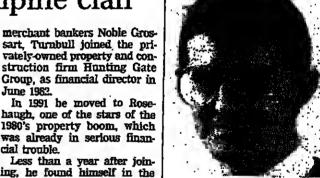
The company declined to comment on the new appointment. However, it marks a return to reasonably familiar territory for Turnbull, a lawyer and chartered accountant.

After a stint at Scottish

sart. Turnbull joined the privately-owned property and construction firm Hunting Gate Group, as financial director in June 1982.

In 1991 he moved to Rosehaugh, one of the stars of the 1980's property boom, which was already in serious financial trouble.

Less than a year after join-ing, he found himself in the chief executive's seat as part of mangement reshuffle prompted hy the group's increasingly worried bankers. However, attempts to refinance the group foundered and less than a year after Turnbull was made chief executive, Rosehaugh was in the hands of the



Peter Martin, 36, has been appointed general manager of Schering-Plough, the UK subsidiary of the American drugs group, replacing Anthony Cork. Previously marketing director, Martin will report to Hans-Jörg Kummer, senior vp for Europe and Canada.

Charles Schwab is your direct link to U.S. investing.

Service designed for the independent investor 24-hour access to U.S. market information Savings on commissions

call toll-free: France -- 05 90 81 03 Germany — 0130 81 74 65 Britain — 0800 526027 Or complete and return this enupon.

To receive a free brochure on

Schwab's products and services



Name	ECF
Address	
Country	Postal Code
Phone	
Charles Schwab Limited	Or call 44-71-495-7444
55 South Audley Street Mayfair, London WIY 5FA	Charles Schwab
United Kingdom	CHAITES SCHWAU

FAX 44-71-409-0799 This document has been torsed by Charles Schools & Co., Inc., 2 U.S. broker, and has been approved by distribution in 190 U.S. by Charles Schools Limited, a U.S. commany and arrayment of the SSA. Charles Schools & Co., i.e., in regulated in 180 U.S. by Charles Schools & Co., i.e., in regulated in 181 U.S. by the 19.5. Securities and Charles Commandate and the Relational Americans of Securities Devices and to a secundar of the Securities and contributed Composition of the New York Schoolings, Introducing page for a part out also be no individual to contribute and contributed in the Composition of the New York Schoolings, Introducing two on also to me individual contributed to the Composition of the New York Schoolings of the progress of the Composition of Composition of the Composition Schooling of the New York Schoolings (24) protection of many held on your before the New York Schoolings (24) except to PAN Compilation Schooling of the Composition of Many Held on your before the New York Schoolings (24) protection of many held on your before the New York Schoolings (25) the requirement for the New York Schoolings (25) protection of many held on your before makelob in the relevant mortes at the lines (26) the requirement of the Composition of the Co

COMPANY NOTICES

Presentations on:

Continental (Bermuda) Limited US\$ 250,000,000 Floating Rate Notes due 2006 Guaranteed by

Hungarian Foreign

Trade Bank Ltd

Notice is hereby given that as at the valuation date 11th May 1993, the value of the zero-coupon obligations (or certificates representing Interests in obligations) of the United States of America was US \$105,879,000.00 and the value of the Company's reserve fund was US \$60,177,064.71. The aggregate value of the Noteholders security was thus 66.42 per cent of the principal amount of Moles outstanding at the valuation date. The determination and publication

of these figures is solely for the convenience and information of the Nateholders and shall not be hinding for any purpose on the Trustee Or the Reserve Fund Manager or the Reserve Fund Reporting Agent nor shell it be taken as recommendation on the part of the Company, the Valuation Agent, the Guarantor, the Trustee, the Reserve Fund Manager or the Reserve Fund Reporting Agent to buy, sell or hold investments similar to the zero-coupon ribligations of the United States of America or the Reserve Fund Investments.

Valuation Agent Giro Credit Bank Aktienge

der Sparkassen, London Branch

NOTICES

LEGAL

Norsk Hydro (UK) Ltd

Memorahu Limited

First Choice Distribution Limited

BCS Realisations Limited

(fercocry) B C Sanitum Limited

(fercocry) B C Sanitum Limited

(fercocry) B C Sanitum Limited

Genrd and Harrison Johnery Limited

On the Waterfront Limited

NOTICE IS HERBBY GIVEN, pursuant to Section 46(2) of the innoverny Ast 1986, the a Mosting of the Creditors of the above samed companies will be held at the Thames Room, Coopers & Lybrand, 6 Greyfram Road, Remiting, Bertashie HGI LIG on Friday 36 Mey 1993 at 10.30 am for the purpose of receiving a report prepared by the olicit Administrative Roceivers and if thought fit to establish a constitute Conscitute "The Creditors Conscitute" for reverse the functions conferred on h by or under the incoverny Act 1986. Provides to be used at the moving must be lodged, together with any claim to be made by the creditors at the offices of John Administrative Roceivers, J M Iredale and N J Veogle on later than 12 accorden Thempoly 27 May 1993.

Creditors whose claims are wholly secured are not entitled to attend or to be represented at the meeting.

Sternet: J M Iredale

Date: 10 May 1993

WHE DEPOLYPREY ACT 1985.
WHESTON REDISENCE HOME & CLIMIC LIMITED MODIC SHEEKER (WHITE SHEAR) CONTROL SHEEKER (WHITE SHEAR) CONTROL SHEEKER (WHITE SHEAR) CONTROL SHEEKER (WHITE SHEEKER SHEEKER) WHITE SHEEKER (WHITE SHEEKER SHEEKER

Non-executives ■ David Crawley at ARMITAGE BROTHERS; Gil-John Jones, chairman of Clayhithe and an adviser to the Prince's Youth Business Trust, and Lady Meriza Ste-

■ Calum McLeod (left) as deputy chairman at BRITANNIA BUILDING SOCIETY: Charles Godwin and Stephen Sebire step down as joint deputy chairmen hut remain on the board. ■ Gerry Stevensnn (right)

human resources director for Dun & Bradstreet, at the ROYAL BERKSHIRE and BAT-TLE HOSPITALS TRUST. ■ Ian Bankier, who has for long acted as a legal adviser to its parent, at MURRAY JOHN-

STONE Developments.

■ Eran Tapan, a member of the management council of Sabanci Group, at AK INTERNATIONAL BANK on the resignation of Sakip Sabanci, chairman of Sabanci John Dick has resigned from USDC INVESTMENT TRUST.

receivers.

Herbert Hann has resigned from CLIFFORD FOODS following its acquisition by Uni-Ian Butler, a director of Cookson Group and its former chairman, and a member of the

Cadbury Committee, at HRLI-■ Julian Benson has retired from TRANSATLANTIC HOLDINGS.

■ David Crawley, until recently development director of Bowater Packaging, at ARMITAGE BROTHERS.

■ David Harrison has resigned from The BIRKDALE GROUP.
■ Osman Abdullah at UMECO. Collin Keith at UNITED UNIFORM SERVICES. ■ Alick Macmillan has retired from EFT GROUP.

Eric Davey as vice chairman and Sandy Hunter, recently retired from the RAF, at NEW-CASTLE BUILDING SOCIETY. ■ Brian Baker, former deputy chairman of Tarmac, at BIRSE GROUP: Hans Wittmann has

■ Brian Griffin, former chairman and chief executive, stays on as a non-exec at The BUILDER GROUP. Hnn David Clark, md of Infocheck Group, at AM UNDERWRITING AGENCIES.

Kenneth Marks and Harold Paisner at COURTS (FUR-NISHERS).

Englishman goes to market for Scotland

For the first time, an Englishman is to become chairman of what remains of the Glasgow stock exchange. Anthony Vine-Lott, 45-year-

nld managing director of Bar-clays Stockhrokers, is to succeed Robert White of the Edinburgh stockbroker Bell Lawrie White as chairman of the Scottish regional advisory group of the London Stock Exchange. Glasgow is one of the more

active of the dwindling number

of regional branches of the Stock Exchange, It has the only firms of market-makers outside London (two of them) and handles most settlements for Glasgow-based stockhrokers, such as Allied Provincial. The exchange, which employs about 20 people.



claims to he second only to London in the volume of business it handles.

Meanwhile, Barclays Stockhrokers is probably the biggest user of the Glasgow exchange. It employs about 300 people in the city and does all share transactions for retail customers of the bank's branches, as well as handling back office work for a number of regional stockbrokers.

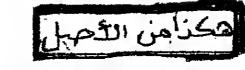
It claims to transact ten per cent of all retail husiness in

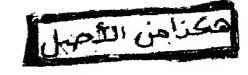
Vine Lott is one of the new breed of stockbrokers who came into the business from the technology side rather than from dealing, having been a senior executive of Wang UK in the early 1980s.

He helped design an elec-tronic dealing system for Barclays de Zoete Wedd before becoming md of Barclays Stockbrokers in 1988.

But he only works two days a week in Glasgow, spending the rest of the week in London. and his home is in Kent. He sees the Scottish regional

advisory group as "a local lobby group sponsored by the exchange" which should work as a conduit to pass information to members of the stock exchange and to obtain their views to pass back to London. He wants to widen the role of the committee to represent the views of quoted Scottish companies and Scottish fund managers on stock exchange mat-





40-foot Arnold Schwarzenegger threatens visitors to the 46th Cannes Film Festival. Anchored to a barge in the bay, the inflatable Arnie points an inflatable gun - wobbling a bit in the wind - towards the Croisette. "Hasta la vista, baby!", he seems to be saying to anyone complaining that the Hollywood presence at Cannes '93 is not large enough.

For that is the festival grouch to

date. No-shows from such as Spielberg, Scorsese and Woody Allen, whose new films had all been tipped for Cannes, fuel the murmurings of Americs's growing disdain for Europe's major movie spree. Holly-wood has sent its B team instead, with Abel Ferrara (Body Snatchers), Steven Soderbergh (King Of The Hill) and Joei Schumacher (Falling Down) waving a tattered US flag while the major studios save their blockhusters for the American sum-

That half the 28 official Cannes entries are still in English tells us how virulent that language has become in the age of the co-production; and points to the presence of five British films in the official event, an all-time record. One of these is Mike Leigh's Naked, competition co-favourite to date with Jane Campion's extraordinary The Piano from New Zealand.

Campion, who promised greatness in Sweetie and An Angel At My Table, achieves It with this dazzling tale of passion and punishment in the 19th century Antipodean hush. Holly Hunter is the young Scots widow whose father pitches her into an arranged marriage with colonialist Sam Neill. But a piano, a Scots-Maori neigbbour (Harvey Keitei) and Hunter's little daughter all play parts in the waiting cataclysm of sex, jealousy and violent retribu-

The film is shot like s Victorian engraving come to life. Early on: the bnttoned-up, near-monochrome tableaux of cinephotographer Stuart Dryburgh (Vigil) as he probes the misty shores and forests prowied hy incongruous shawls and biack hooped skirts. Later: the thrilling fluency of camerawork and feeling as love unpicks tha characters straight lacing and opens up their souls. The movie never stumbles into melodrama, nevers substitutes reach-me-down cliche for hardearned revelation. In the power of its imagery and command of its emotions The Piano may well be let us risk a sexist superlative - the greatest film yet directed by a

Some male chauvinist Europeans went madder for Naked: Mike Leigh's gloom-laden tale of a group of London down-and-outs catalysed hy the surly wit of a visiting Man-

rst the plaudits. You will

seldom see a display of act-

ing in London to match

that of Alan Bates in The

Showman at the Almeida in north London. For variety, for depth and, above all, for sheer stamina Bates

deserves every prize. And although, on a rough reckoning, he has over

90 per cent of the lines, the rest of

the cast deserve the fullest praise.

Written by the Austrian Thomas

Bernard, the play centres on on an

actor-writer-director who has aspi-

rations to be Shakespeare, Verdi,

Metternich and Wittgenstein, to

name but a few. Voltaire, Napoleon,

F.D. Roosevelt and Lady Churchill

crop up as well. So do Hitler and

Stalin. Bates in the lead role has

The Showman, however, is really

about Austria, which is a hig aubject, or at least was when Austria

had an empire. Possibly, in a micro-

way, the country has become psy-

chologically more interesting now

that it has not. Coming to terms

with an imperial past and a more

modest present is a problem not

tions begin. This is the second Bern-

hard play to be performed in Lon-

don in recent months. The first was

Elisabeth II at the Gate. Both sug-

Yet it is here that the reserva-

confined to Austria.

them all in his imagination.

too, for their unstinting support.

7.7



Katrin Cartlidge, Greg Cruttwell and Lesley Sharp in Mike Leigh's 'Naked'

Cannes Film Festival/Nigel Andrews

The year of the shaggy dog

cunian (David Thewlis). Thewlis is obsessed with the end of the world and with exorcising - or merely exercising - his own chattery, epigrammatic despair. He first wreaks sexual havoc in an ex-girlfriend's flat, then tramps the nocturnal streets meeting Odd Characters of the kind we only find chez Leigh. A philosophical security guard, a pair of screwloose Scots youngsters, s nymphomaniac ... Finally the tale comes full circle and Mr T hoofs off home again: but not before he has laid waste parts of London's soul not even the recession had reached. Newcomers to Leigh's cinema liked the film more than longtime loyalists. From the maker of High Hopes and Life Is Sweet, where statements about life and death are made through a prismatic miniaturism, Naked seemed to me full of apocalyptic self-consciousness and cackhanded class comedy. One character is a toff called Sebastian. whose sole function is to go through the movie drawling upper-crust oneliners and treating women to some selgneurial S-and-M. Elsewhere a nomadic, smash-and-grab pessi-mism is preferred to the distilled

tival. It is the Year of the Shaggy Dog. Many competition movies. even those that start out brisk and well-clipped, have ended up hairy, dazed and wandering all over the In Akira Kurosawa's Madadayo

the initially touching tale of a retired schoolmaster's decade-spanning friendship with former pupils - sort of a Sayonara, Mr Chips ends up going round and round like a scratchy record. In Jim McBride's road movie The Wrong Man, "picaresque" becomes a criminal offence as Rosanna Arquette, Kevin Anderson and John Lithgow (busband, wife and the murder-suspect sailor they pick up) zigzag all over Mexico, hurning the tarmac from one overacted amorous flare-up to another. And the Taviani brothers' Fiorile is a dynastic epic about gold, love and Tuscan folklore that nounds the centuries promising revelation but providing only reiter-ated lectures about the corruption of money and redemptive virtues of

The hest of that endangered Cannes species, the foreign-lan-guage film, came from another pair of Italian siblings. Pupi Avati's Magnificat, produced and co-conceived by hrother Antonio, bews

balf-a-dozen stories from the rock of Mediaeval social history. The carving is hrilliantly skilful: here a young girl's convent initiation or the birth agonies of a royal courtesan, there the grim glimpse of an executioner's trade or a dying nobleman's search for grace in a funeral pavilion by a river. Avail dovetails ail these 10th century vignettes into a movie that begins hy presenting the past as a "foreign country" hut ends hy irradiating it with understanding and insight.

The Cannes festival paints with a broad brush and there have been plenty of artworks boasting louder, more lurid merits. In the Market, movies with titles like Man With The Screaming Brain and Maniac Nurses Find Ecstasy, And in the Competition itself, my favourite popcorn-and-escapism movie so far: Abel Ferrara's Body Snatchers.

Yes, this is another remake of the romp first put on screen in 1956 by Don Siegel about space-spawned clone people taking over the world; and yes, my colleagues thought the film vulgar, brash, pyrotechnic and unsubtle. But then so did L That is why, in a festival with more than Its share of unfocused and underplotted movies rotating in ever diminishing circles, I liked it.

Television/Bruce Fireman

Get down to business

and finance occupy over 20m. Britons for a large part of the week, British television covers the area very sparsely. There is nothing to compare with the old Financial News Network or its successor on US cable television, CNBC. Neither does British television have anyone to rival CNN's Lou Dohhs, who presents husiness and financial news with urbanity and knowledge. Yet there are dozens of magazines covering the area, most newspapers have substantial business sections and this newspaper exists to give over most of its space to it. The BBC broadcasts The Money

Programme for 40 minutes on Sundays and has Business Breakfast every weekday morning between 6.00 am and 7.00 am. The ITV network has no business or financial programmes at all. Channel Four used to have a first-rate popular programme dealing with personal finance and business, High Interest, but it came to the end of its run recently and there are no present plans to replace it.

The Money Programme is broadast at an awkward time, starting at 7.00 pm on Sunday evenings, It gets a smallisb audience - around 1.4m was the average between January and May of this year. BBC 1's Business Breakfast has, on average, only 199,000 sdult viewers and, according to an analysis hy Carat UK, only 34,000 of them are "business spenders". Even Channel Four's downmarket The Big Breakfast gets 41,000 husiness spender viewers, and Good Morning Television gets 53,000 of them.

On this basis of the audience figures, then, British broadcasters seem to have got the balance of supply and demand about right. Or should one apply the supermarket law that products given less display area disproportionately undersell those with more area? Or are the

programmes just not good enough? Business Breakfast, which I have heen watching recently in the course of my enquiry, is a peculiar hotch-potch. Presenters read out the latest indices and the overnight closes. The figures appear as captions at the bottom of the screen. The information is of limited use to professionals, who would know the figures already. To the general viewer, the information is as of much use as periodic announce-ments of the height of the tide at London Bridge, which keeps on going up and down and there is

nothing you can do about it. Business Breakfast has a format horrowed from news magazines. There are two presenters. The man does most of the difficult stuff, like

lthough work, business interviews; the other presenter is usually a woman, who, among other tasks, has to read out the overnight indices. This is sometimes done by a presenter who gives the impres sion that she is a little challenged arithmetically, since there are discrepancies between what she reads out and the captions on the screen. Last week the job was taken on hy an escapee from a hair spray adver-tisement, with Blg Hair Band Sec-ond Wife Lip Gloss, which in this respect at least put the show on a par with Pinancial News Network.

The format is that the presenters introduce or read the national and international news, the local news, sports news and weather in a rolling sequence. They break this up with reports from "our European husiness correspondent" or "our North American Business Correspondent". The North American man reported from California about the wine industry there on the day

One presenter appeared to be an escapee from a hair sprav advertisement

last week when the Dow Jones Industrial Average surpassed its previous all-time closing peak. This was not mentioned on the programme. Those interviewed by the European correspondent are all suspictously fluent in English, which leads one to think that they might not have appeared if they had not been fluent because of translation difficulties. Getting knowledgeable guests to travel to the BBC's studios in West

London for a 6.00 am start is obviously difficult. Stockbrokers' analysts must know about the dangers of agreeing to talk about company results due in an hour's time: if they are wrong, they will never for-give themselves, if they are right no one will remember. As a result, the ducers have fallen upon tha idea of importing journalists as "Experts". This produces the bizarre spectacle of one journalist, the presenter, asking another jour-nalist, the Expert, about what other journalists wrote about the day

The greatest Expert of all came from a provincial British daily. Asked to comment on a photograph in The Sun of several hundred Mercedes cars in a field, apparently unsold, the Expert gave the following baffling response: "Well, I think Germany is finally baving to wake up to the problem of excess capacity in its industrial base. Britain and America, to a certain extent, have had over 150 years to move away from industry, from cars and nuts and bolts, toward high-tech serviceorientated industries. Germany and in particular East Germany has bad barely 50 years to do this. And they are now feeling the crunch. It'a going to involve the loss of much capacity and, i am afraid, very

many jobs."
in this week's Money Programme,
the BBC's Economics Editor, Peter Jay, did an analysis of Germany's economic situation, relating it to political aims and giving a considered view on the prospects. Germany has lost its productivity advantage relative to its competi-tors, which is perhaps what the Expert was trying to say. But when the Expert spoke, be was working in the wrong medium for him at the worst possible time of day for newspaper writers, therefore giving no service to the viewers and doing no service to himself.

On Monday morning, Business Breakfast carried an item about the Stock Exchange's clamp-down on leaking. Professionals knew about it on Friday; it was the lead story in this newspaper on Saturday and lead most of the husiness sections in other newspapers. The presenter summarised the story and then did a short studio interview with Alastair Ross-Goobey, the Chief Executive of Postel. This was the sort of item that should be on the show every day; hut it was notable because it was so exceptional.

What Eari Brian of Financial News Network realised was that the real demand for a daily husiness programme was from the sort of people who sat around watching the screens in bundreds of stockbroker's offices around the US. The key was to site the studios in low rent areas in midtown Manhattan so that guests could pop in on the way downtown to work in the morning and to switch production to Los Angeles out of prime time to take advantage of the lower wage rates for television production people in California. Success lay in concentrating on delivering pure programme strands to committed audiences, eschewing sports, general and local news.

it follows that the BBC should learn the lessons of modern technol-ogy and falling rents. Television studios can now be anywhere: City of London rents are such the BBC could afford to take space at the UK's financial centre, and provide a proper service to the 20m. or so people who are so underserved now.

Bruce Fireman is managing direc-tor, Media and Communications, at merchant bankers Guinness Mahon

Theatre/Malcolm Rutherford

The Showman

gest a peculiar dislike of modern Austria, but what I find very hard to work out is whether this stems from a nostalgia for a glory that has gone or is a complaint about a failure to adjust to heing a lesser, and democratic power. Prohably The Showman is a subtle mixture of the two, though you would have to be an Austrian to fully appreciate it.

comic power of Leigh's best work. Leigh's film points, though, to a

conspicuous trend at this year's fes-

My own view, seeing the play in English from an offshore island, is that it comes down firmly on the side of Metternich: relatively civilised authoritarianism with Austria running Europe rather than the great powers breaking It up. But I may be wrong.

Apart from doubts about the play's intentions, the other reservation concerns the structure. Bernhard has a pronounced tendency to allow his central characters to rant. Not even John Osborne gave his leading figures such continuous spleen and invective. In Osborne someone usually interrupts; Bernhard scarcely ever stops. This creates an imbalance in the play. For example, the wife in The Showman does little more than

cough: the grown-up children broadly kow-tow to their father. The only people not wholly submissive are the inn-keeper and his family, but they dissent largely in dig-nified silence and are tarnished (or perhaps hiessed?) by having what looks like a water colour of Hitler on the wall. Again, the politics are

Still, if you want a relentless, ego centric near-monologue, here it is. A few of the lines are very funny, such as Bates saying "I wanted a genius for a son, and all I've got is a nice person". The direction hy Jona-than Kent, using the full depth and height of the Almeida stage, is like Bates's performance - sensa-

tionally good. For the record, Bernhard was born illegitimately close to s once little known place called Maastricbt in 1931. His Austrian mother spent a year in a convent. He moved to Austria, established left wing credentials and died in 1989. Yet it is a strange kind of socialism that comes out in The Showman; perbaps the German title is more suitable: Der Theatermacher.

bscurity belongs not only to Austrians. Gregory Motton's five-year-old A Message for the Broken Heorted has been revived in a Liverpool Playhouse uuction a Motton still looks like an immensely promising dramatist writing about pain. It would help, however, to give some greater indi cation of context. And to pull the stage curtains every few minntes or so may give the indication of a bospital for the seriously disturbed, but it is an anti-theatrical device which holds up the action. (The real setting is in around a suhurban house in south London.) Motton's test will be at the Royal Court next month with his new play, The Terrible

Voice of Satan. in fact, Motton would have fitted very well into the Springboards season of new work from the Royal National Theatre's Studio at the Cottelsoe. This is continuing with He Who Saw Everything, based on ancient epic of Gilgamesh and thought to be the world's oldest play. It is close to the story of Noah's Ark and also Greek myth. Directed by Tim Supple, it is very weil done with some appealing musical accompaniment. But obscu-rity seems to be the order of the week, it is unclear wby Gilgamesh is played by several characters.

Concert/Max Loppert

Monteverdi Vespers

The "BOC Covent Garden Festival of Opera and the Musical Arts" is the full title of a new initiative occupying six of the halls, churches and theatres in the Covent Garden area with festive music-making over the next 14 days. Whether London, a city still in the grip of recession and already over-supplied with competing musical events, really needs another such is yet to be established (by audience numbers,

for one thing). But the hill of fare itself is full of bold strokes, unusual combinations, meriting sympathetic attention. A specially mounted Magic Flute in the Freemasons' Hall and G & 8 Trial by Jury in the Bow Street Magistrates' Court may prove to be brilliantly imaginative feats of planning, or else merely gimmicky; less showy hut assuredly substantial are

the programmes of music-theatre in

The redesigned Opéra de Lyon is

recitals at the Royal Opera House, and the choral concerts (enticing ones: the Monteverdi Vespers, Purcell's Fairy Queen, Handel's Belshazzar) in St Paul's Church. And indeed, any festival launch-

ing Itself - as this one did on Monday - with Monteverdi followed by s firework display in the Covent Garden concourse must have its heart in the right place. St Paul's is a fine location for the 1610 Vespers, intimate yet sufficiently resonant; and since those features of ambience seemed to chime exactly with the stylistic tenets of the performance by Paul McCreesh's Gabrieli Consort and Players, the experience was continuously cogent, gripping, expertly co-ordinated.

McCreesh opted for small forces, particularly avoiding "additive" scoring; his consort of singers func-

tioned equally efficiently in choral or solo roles, and his directorial tread was unfailingly nimble. As ever in these spare, British-accented accounts of Monteverdi currently in vogue, certain essentially Latin qualities tended to go missing -grandeur, thrusting boldness of colouring, a sense of elating instrumental and vocal virtuosity.

Only in the tenor-voice statementand-ecbo phrases of "Duo Seraphim" were they in any way evoked: the singers, Charles Daniels and Mark le Brocq, achieved at last the frisson, the mysterious lightning-flash of drama-in-music for which I had been longing all even-

Festival sponsored by The BOC Gronp, with GRE (UK) Ltd and American Express; Monteverdi con-cert sponsored hy Bertorelli's



■ BONN

Oper Tonight: Puccini's Trittico stagad by three women directors. Tomorrow, Sun, next Wed: Gian-Carlo del Monaco's new production of Cav and Pag, with Julia Varady as Santuzza, Fri: Valery Panov's production of Prokofiev'a ballet Romeo and Juliet. Sat: Der Freischütz (773667)

■ COLOGNE

Philharmonia Tonight: Hugh Wolff conducts St Paul Chamber Orchestra in works by Ravel Shostakovich, Copland and Mozart, with piano soloist Emanuel Ax. Tomorrow, Fri, Sun, next Tues and Thurs: Cherubini Quartet's Beethoven cycle. Fri at 23.00: Lionel Hampton Big Band (2801) Opernhaus Tonight and Fri: Entführung Tomorrow and Sun: Der Rosenkavalier with Margaret Marshall, Dolores Ziegler and Günter von Kannen. Sat: choreographies by Jochen Ulrich. May 28: Brigitte Fassbaender song recital (221 8400) Schausplethaus Sun: first night

of new production of As You Like It. A new staging of Goethe's Clavigo opens on Sat et Probebühne Stammstrasse 36, Ehrenfeld (221

■ COPENHAGEN

Tivoli Tomorrow: Hiroyuki lwaki conducts Tivoli Symphony Orchestra in works by Ichlyanagi, Beethoven and Shostakovich, with piano sololst Katrine Gislinge. Fri: Julius Rudel conducts Royal Opera Orchestra in Schnittke and Prokoflev, with cello soloist David Geringas. Sun, Mon: Iona Brown directs Academy of St Martin In the Fields in two programmes, including Britten's Frank Bridge Variations and Bach's Double Violin Concerto and Vivaldi's Four Seasons (3315 1012) Royal Theatre Tonight and Sat: Welli's Mahagonny. (3314 1002)

DRESDEN

DRESDEN FESTIVAL Tomorrow's opening performance at Semperoper is Hommage à Rakhmaninov, pairing his 1906 opera The Miserly Knight with a new ballet (repeated on Sun). Nederlands Dans Theater gives guest performances on Fri and Sat. Bavarian State Ballet brings the Neumeier production of Nutcracker next Tues and Wed. Budapest Chamber Opera stages Gluck'a Orieo tomorrow and Fri at Kleines Haus, and Polski Teatr Tanca brings ballets with music by Ginastera and Szymanowski to Schauspielhaus on Fri and Sat. Jörg-Peter Welgle conducts Berlioz's Grande Messe des Morts on Sat at Kulturpalast, with Dresden Philharmonic

Orchestra and State Opera Chorus. The festival runs till Juna 6 (486 66660

■ FRANKFURT MUSIC/DANCE

Alte Oper Tonight, tomorrow, Fri: Marc Piollet conducts Frankfurt Radlo Symphony Orchestra in Strauss, Weber and Berlioz, with clarinet soloist Sharon Karn. Sat: Jean-Pierre Rampal is flute soloist with London Festival Orchestra. Sun: Moscow Chamber Orchestra. Mon: Menuhin Festival Piano Quartet. Next Tues: Melos Quartet (1340 400) Jahrhunderthalle Hoechst Tonight: Mikhail Baryshnikov White Oak

Dance project. Sat: Warsaw State Operetta in Johann Strauss' Eine Nacht in Venedig (3601 240) Opernhaus Tomorrow: Aribert Reimagn's opera Troades, Sat: Rigoletto, Sun: William Forsythe's ballet Slingerland (236061) THEATRE

Schauspielhaus Tonight, Fri, Sat: new production of Schiller's Don Karlos, directed by Wolfgang Engel. Tomorrow and Sun: Sophocles! Antigone (2123 7444) Kammerspiele Fri: first night of new production of Ibsen's Hedda Gabier, directed by Jürgen Kruse (2123 7444)

English Theater Kaiserstrasse Fri: first night of new production of Alan Ayckboum's farce Taking Steps. Daily except Mon till July 24 (2423 1620)

■ GOTHENBURG Konserthuset Tonight: Myung-Whun Chung conducts Gothenburg

Symphony Orchestra and Chorus in concert performance of Carmen (167000) Stora Teatern Fri: Robin Stapleton

conducts Francesca Zambello'a production of Falstaff, with ingvar Wixeli. Final performances May 28, June 3, 5 (131300)

■ HAMBURG Staatsoper Tonight, next Tues: Madama Butterfly with Yoko Watanabe, Giorgio Merighi and Franz Grundheber. Tomorrow: Christian Thielemann conducts revival of Ruth Berghaus' staging of Tristan und Isolde, with Wolfgang Fassier and Gabriela Schnaut. Fri, Sun: choreographies by Mats Ek and Lar Lubovitch. Sat: Die Zauberflöte (351721)

Musikhalle Sun morning, Mon evening: Luciano Berio conducts Hamburg State Philharmonic Orchestra in his own arrangements of Mahler and Brahms, with clarinet soloist Sabina Meyer (354414)

LEIPZIG

Opernhaus Tonight: Udo Zimmermann conducts Gottfried Pitz's new production of Rameau's Hippolyte et Aricle. Tomorrow: Lohengrin, Sat: Marek Janowski conducts concert performance of Parsifal. May 28: staga premiere of Stockhausen's Dienstag aus Licht (7168 273) Gewandhaus Tomorrow and Fri: Volker Rohda conducts

Gewandhaus Orchestra in works by Baur, Weber and Dvorak. Sun and Mon: Krzysztof Penderecki conducts MDR Symphony Orchestra in Mendelssohn, Penderecki and

Dvorak (7132 280)

LYON

in the midst of its opening celebrations. Tomorrow is the first night of Lully's Phaéton, conducted by Marc Minkowski and produced by Karina Saporta (repeated May 26, 31, June 1, 6). Les Contes d'Hoffmann is conducted by Kent Nagano and staged by Louis Erlo, with a cast including Galvez Vallejo, José van Dam, Gabriel Bacquier and Barbara Hendricks (May 21, 24, 27, 30). Debussy's Rodrigue et Chimène is conducted by Nagano and ataged by Georges Lavaudant (May 23, 29, June 3, 5). Coppelia is ataged by Maguy Marin (May 22, 28, June 4, 7, 8). Anne Sofie

■ MUNICH

(7828 0960)

Prinzregententheater Tonight: members of Bavarian State Ballet dance their own choreographies (221316)

von Otter gives a recital next Tues

Deutsches Theater Daily till May 27: Rigoletto, staged production with young soloists from Italy. May 29, 30: Mikhail Baryshnikov's White Oak Dance Project (5523 4360) Gasteig Tonight: Bruno Giuranna directs Padua Chamber Orchestra In works by Mozart and Boccherini, with violin soloist Viktoria Mullova. Next Tues, Thurs, Fri: Günter Wand conducts Munich Phliharmonic Orchestra in Schuhert symphonies (4809 8614)

Herkulessaal der Residenz Sat; Munich Chamber Orchestra plays Vivaldi, Pergolesi and Handel. Mon:

Radu Lupu piano recital (299901)

STOCKHOLM

Drottningholm Elisabeth Söderström'a first season as director opens tomorrow with Haydn'a La fedelta premiata. The season also includes Grétry's Zémire et Azor and Soler'a Una cosa rara, plus Ivo Cramer's Figaro, ballet pantomime after by Beaumarchals (660 8225)

Royal Opera Tomorrow afternoon, Fri evening: Boccaccio. Sat: choreographies by Balanchine, Ulvases Dove and Ulf Gadd, Next Tues, Wed: Beryl Grey's production of Sleeping Beauty. May 28: revival of Gotz Friadrich's production of Meistersinger (248240)

■ STRASBOURG Palais de la Musique Tonight

Heinz Wallberg conducts Strasbourg Philharmonic Orchestra In works by Beethoven, Shostakovich and Brahms, with cello soloist Frans Helmerson. May 27, 28: Theodor Guschlbauer conducts Mahler's Second Symphony (8837 B777) Théâtre Municipal Next Tues: William Christie directs Les Arts Florissants in first of five performances of Marc Antoine Charpentier's Mêdêe (8875 4823)

■ STUTTGART

Staatstheater Tonight, Sat, next Tues: Philippe Auguin conducts Ruth Berghaus' new staging of La traviata. Tomorrow: Die Zauberflöte. Fri, next Mon and Wad: Stuttgart Ballet In choreographies by Zanella and Bélart, Sun: Fidelio (221795)

ARTS GUIDE Monday: Berlin, New York and Paris. Tuesday: Austria, Belgium,

Netharlands, Switzerland, Chicago, Washington. Wednesday: France, Germany, Scandinavia. Thursday: Italy, Spsin, Athens London, Prague.

Friday: Exhibitions Guide. European Cable and Satellite Business TV

(All times are Central European Time)
MONDAY TO THURSDAY Super Channel: European Business Today 0730; 2230 Monday Super Channel: West of Moscow 1230. Super Channel: Financial Times Reports 0630

Wednesday Super Chan-nel: Financisi Timss Reports 2130 Thursday Sky Naws: Financial Times Reports 2030: 0130 Friday Supar Channal:

European Business Today 0730; 2230 Sky News: Financial Times Reports 0530 Saturday Super Channel:

Financial Times Reports Sky News: Wast of Moscow 1130; 2230

Sunday Super Channal: West of Moscow 1830 Super Channel: Financial Times Reports 1900 Sky News: West of Moscow 0230; 0530 Sky News: Financial Times Reports 1330; 2030



How can people who feel profoundly different from each otber live together without fighting? In the present state of the world, it is

hard to think of a more urgent question. The disaster of Yugoslavia, not to mention Northern Ireland, bas made Europeans more aware of it. But It is no less urgent in Africa, Asia and the Middle East.

The usual answer is that what is needed is strong autboritarian government, feared equally hy all. This has not solved the problem of war between states but it has prevented, or at least contained. conflict within state borders. The British, the Ottoman, and more recently the Soviet, empires all did this while they lasted. In each case, the break-up of empire has been accompanied or followed by bitter inter-communal fighting.

Clearly, sucb conflicts pose a more serious challenge to democracies, where people are supposed to rule themselves and the will of the people is ascertained by majority vote. Majoritarian democracy works only so long as the citizens of a state feel that they constitute one people. If some of them feel that they are actually a different people, or part of one, they will not accept that the others have a right to represent and rule over them simply by virtue of heing more numerous within the state's borders.

How far does democracy depend on "shared values"? That question was asked, hut not clearly answered, at an Aspen Institute symposium held in Israel two weeks ago. It is a question that hothers Israelis for two reasons.

First, Israel is a state based on an ideology, Zlonism, which is not shared by two important minorities among its citizens, namely the Arabs and the orthodox religious Jews.

Second, even among those who do accept Zionism, there is a wide cultural gap between the founders of the state -European, or Ashkenazi, Jews - and the Sephardi or oriental Jews, who arrived later but now form the majority. Many Asbkenazim feel that democracy can be sustained only if the orientals assimilate European culture and values, whereas many orientals are

Peace and its pieces

> Managing difference is crucial to avoiding war

determined to maintain their culture and feel they are the victims of discrimination

The problem should be familiar to anyone from western Europe, where concern is often voiced ahout the supposed threat to democracy from minorities who cling to Islamic or other "imported" value systems. And there are now similar anxieties in the US about the insistence of the Hispanic minority on retaining its own language and culture. This is seen as a rejection of the "melting-pot", which successfully fused earlier waves of

Democracy is seen as inseparable from individuals' freedom to assert a group identity

immigration into a homogeneous American culture.

At the symposium, a newspa per cutting was handed around, in which it was reported that the French state has now decided to encourage education in regional languages, after 800 years of trying to suppress them. Jacobinism, or forced assimilation, has apparently been abandoned even in its birthplace. Democracy is now seen as inseparable from pluralism, that is from freedom for individuals to assert and maintain whatever group identity seems impor-

Does that mean that "shared values" are no longer necessary? I am not sure. One value at least needs to be shared, namely the acceptance of democracy ltself, or at least willingness to obey the

Clearly education has a vital part to play in convincing people that they are indeed citi-

zens of the state in which they live, with the rights and obligations that this entails. But attempts to indoctrinate them with an official or national ideology, or to suppress their inherited loyalty and culture, are likely to be counter-productive. Witness the general derision which greeted Lord Teb-hit's suggestion, a few years ago, that support for an over seas cricket team was incompatible with the obligations of

British citizenship. The problem is more acute where a minority is concen-trated in, or historically identified with, a particular part of a state's territory. There is then the temptation to think that good fences make good neighbours", and to try and make frontiers correspond to ethnic divisions, by applying the principle of self-determination. But how does one decide the size and shape of the territorial unlt to which this principle applies? And, even if applying it solves the problem of the national minority by turning it into a local majority, all too

reproduces itself on a smaller scale with a local minority. Almost inevitably, the process leads to uprooting people from their homes, which can be done only by coercion. This often involves the most vicious hrutality, as is happening in Bosnia now. In most cases, it must be preferable for people to find ways of living together without moving either the frontier or the people them-

often the problem then simply

Precisely to help them do that, last December the Conference on Security and Co-operation in Europe (CSCE) appointed a High Commissioner for National Minorities; the former Dutch foreign min-

ister. Mr Max van der Stoel. It has become a commonplace to say that there are now no good solutions in Bosnia, and that Europe is paying now for its failure to avert the conflict through timely preventive diplomacy. Mr van der Stoel Is supposed to ensure that such a fatal mistake is not repeated. Yet he has been given an annual budget of just \$250,000, and a staff of four. Surely avolding further Bosnlas deserves a higher priority than

that? By the time you read this I shall have started n seven-week sabbatical, during which I hope to explore the linguistic frontier between Latins and Germans, from Dunkirk to Trieste.

he European cold war between Unilever, the Anglo-Dutch consumer products group, and Mars, the US food manu facturer, is hotting up. This month, a new front was opened when Britain's Monopolies and Mergers Commission launched an investigation into ice cream makers' distribution practices.

The inquiry, which will focus on the £350m UK market for 'impulse" ice creams typically sold hy small corner shops, marks an important advance for Mars' three-year legal and regulatory assault on Uni-lever's grip over ice cream sales across Europe.

The ferocity of the conflict, and the boisterous public relations campaigns mounted hy the two sides, show that this is no ordinary trade dispute. At its heart lies a struggle for a rapidly-expanding business worth hillions of pounds a year, which is central to both companies' future.

Unilever is defending a commanding 40 per cent of European ice cream sales, valued at about £6bn annually at retail prices. Ice cream is among the most profitable and fast-growing of all, the group's £11bn worldwide food operations owing to a stream of product innovations which have recently injected new life into a previously unexciting husi-

The catalyst was Mars' launch in 1989 of premiumpriced ice cream versions of its chocolate bars. Almost overnight, it created a thriving luxury sector of the market into which many other manufacturers, including Unilever, have moved and which is now the industry's higgest source of profits growth.

The problem for Mars is to avoid becoming a victim of its own success, as rivals increasingly challenge its early lead. The company needs to secure its position quickly to achieve satisfactory returns from its heavy investments in ice cream - hut also because it is under increasing competitive pressure in its other businesses worldwide. Mars' answer has been to

attack Unilever's control over distribution and, in particular, its long-standing use of a practice known as "cabinet exclusivity". This involves supplying freezer cabinets free of charge to small retailers who sell the bulk of impulse ice creams, on condition that the freezers do not carry competitors' products.

Hostilities broke out in 1990. when Unilever obtained a

Europe's new cold warriors

Mars is stepping up its battle with Unilever in the ice cream market, says Guy de Jonquières

court injunction in Ireland prohihiting Mars ice creams from being stocked in Unilever cabinets. Mars retaliated by appealing against the ruling and complaining to the European Commission that the Anglo-Dutch group's distribution methods violated EC competition law.

Last year, Brussels handed Mars a partial victory hy outlawing separate arrangements used by Unilever and Schöller, a German ice cream producer. to keep rivals' products out of German retail outlets. The European Commission expressed reservations about the commercially more important issue of cabinet exclusivity, hut it said it needed time

to investigate. When EC competition authorities will pronounce is not known. Nor is it clear what will happen if Brussels, the MMC and the Irish court hearing Mars' appeal reach different conclusions. But for the two companies, at least, the issues in dispute are

Mars contends that cahinet exclusivity unfairly inhibits entry into the Ice cream market and penalises smaller producers, particularly in the many small retail outlets which have room for only one freezer.

Unilever counters that it is entitled to exclusive use of its own cabinets, and that its strength in ice cream stems largely from its products and marketing expertise. It also points out that six companies have entered the UK ice cream market in the past five These arguments have failed

to convince Sir Bryan Carsberg, the director general of fair trading. When referring tbe case to the MMC, be suggested that cabinet exclnsivity was "a major factor" in the growth of Unilever's share of ice cream sales and that consumers would benefit if retailers were free to stock a wider choice of products. Sir Bryan's stance has beart-

ened Mars. Some food manufacturers and independent



Europe	1,550	200 400 59 - 150	,
North America	200	150 - 200 300 100	ŀ
Rest of World	150	150 100	٠.
Total	1,900	500 400 350 500 250	J
			`;
Unitever's	repean	ice cream sales, 1992	
	Gres to Stropean	ice cream sales, 1992 Share of Unilover Unilover's Christopen sales Share of Unilover's Share of Unilover'	16
	lerket volome	Market value Linkover Linkover's	16
*	Geres tri	Market value Unilever Sarapear sale 1,000 40% 25% 700 40% 10%	6
Germany	fares (r) 520	Microst value: Unitover Street	6

300

400

300

300

ers' selling pric industry experts, however, claim to detect a hint of desperation in the company's legal campaign and its readiness to shed some of its habitual

180

320

200

2.500

favourable publicity. The campaign comes at a time when the privately-owned Mars is fighting an uphill bat-tle in established core businesses, potably confectionery. of which it is the world's largest oroducer after Nestlė of

secrecy in an effort to drum up

Switzerland. The company's shares of its three biggest markets - the US, Britain and Germany - are in decline, in splte of an aggressive marketing effort and product innovations and relaunches. Rivals are also nibbling away at Mars' sales of pet food, its other main product line, in several countries. Some observers attribute these reverses to senior managers' preoccupation with the ice cream business and to a recent sweeping reorganisation of Mars' European operations. Several competitors report an unusually large number of joh applications from disaffected Mars executives, who say the company's new Enropean structure bas left them confused about their roles.

20%

50%

796

7%

1156

Making a success of ice cream appears, therefore, of vital importance to Mars, which has built a £20m plant in eastern France to supply the entire European market. So far, however, its market penetration has been uneven. Though the company will not disclose its total European ice cream sales, the bulk is believed still to be in Britain, where it had about 10 per cent of the £770m ice cream market last year. Mars' strength in the

wrapped impulse sector, which is at the heart of the distribu tion battle, depends on whose figures you believe. The company claims 16 per cent of the UK market last year. Unilever puts Mars' share at 10 per cent. Both agree, though, that Unilever had about two thirds of the market, and that Mars' share fell slightly from 1991.

What is clear is that competition in the UK is set to intensify following Nestlés recent acquisition of Clarke Foods. the UK's second largest ice cream maker. Not only is Nestje the world's biggest food manufacturer; it also distributes and stocks Mars' ice cream in the 20,000 cabinets it

Nestle will not say whether the arrangement will continue heyond this year. But that seems doubtful, given that the two companies compete directly in confectionery and that Nestlé says it strongly favours cabinet exclusivity.

No wonder Mars' lawyers are working overtime. But how much does the company stand to gain if they succeed? Most observers agree that the profits and sales of Unilever, which has invested £20m in exclusive cabinets in the UK alone, could be dented if the practice were banned. But few think the damage would be severe or long-lasting.

Mars says its products emerged as best-sellers from a recent trial by a chain of UK newsagents, which replaced freezers supplied by manufacturers with Its own cabinets. Since the trial was instigated and financed hy Mars, though, the results can hardly be deemed conclusive.

But many independent experts think Mars is investing too much faith in its efforts to open the market. They point out that competitors of all sizes are still pouring into the premium ice cream husiness. Many offer hroader ranges than Mars, which has relied entirely on making ice cream versions of its leading cbocolate brands.

"I think Mars is rather 🖀 hehind in the competitive game now," says Mr Clive Richardson of stockbrokers Henderson Crosthwaite. "It should have won these legal battles three years ago, when it had the market to itself."

Undaunted Mars insists It will press its legal campaign to its conclusion and is confident of victory. But whatever the courts and regulators decide, the company's struggle to recapture its early lead looks as though it may have only just

FINANCIAL TIMES CONFERENCES

WORLD GOLD

CONFERENCE

Istanbul - 14 & 15 June, 1993

This annual meeting brings together a most authoritative panel of speakers to review developments in the international gold market and to assess future trends.

Chaired by:

Mr Robert Guy N M Rothschild & Sons Limited

Mr David Pryde J P Morgan

Speakers include:

Dr Rüsdü Saracoglu Central Bank of the Republic of Turkey

Mr Bobby Godsell Anglo American Corporation of South Africa Limited

Mrs Agnes Van den Berge Banque Nationale de Belgique SA

Mr Timothy S Green Gold Fields Mineral Services Ltd

Dr German Utreras Banco Central de Venezuela Mr Peter A Allen Lac Minerals Ltd

Mr Moriki Aoyagi Sumitomo Metal Mining Co, Ltd

Mr Gary W K Cheung Sun Hung Kai Forex and **Bullion Company Limited**

Mr Ian C MacDonald Credit Suisse

Dr David S Tyrwhitt Normandy-Anglo-Asian Pty Ltd

A FINANCIAL TIMES CONFERENCE in association with THE BANKER

OFFICIAL CARRIER: TURKISH AIRLINES

WORLD GOLD

Please send me conference details Please send me details about exhibiting at the conference Please send me details on The Banker

_	
	A
	_

A FINANCIAL TIMES CONFERENCE THE BANKER

Financial Times Conference Organisation 102-108 Clerkenwell Road, London EC1M 5SA Tel: 071-814 9770. Tix. 27347 FTCONF G. Fax: 071-873 3975/3969 Name Mr/Mrs/Ms/Other Position

Company/Organisation Country Post Code_ Type of Business

THE EDITOR

Number One Southwark Bridge, London SE1 9HL Fax 071 873 5938. Letters transmitted should be clearly typed and not hand written. Please set fax for finest resolution

Transfer role of Tecs to further education

From Mr Ansel Horris.

Sir, Many of us will endorse the headline to your leader "Tecs in a tangle" (May 10). but not with your conclusion that the 1,220 directors of Training and Enterprise Councils are "generally satisfied

with the progress". The report on which you are commenting is not based on the responses of the 1,220 members, but on only 506 of them, or 41 per cent. Furthermore, only 17 per cent of the directors were very satisfied with overall progress, compared with 26 per cent in last year's

cent thought progress was very unsatisfactory, that figure has increased to 10 per cent.

We should not be surprised that over the four years since the launch of Tecs their goals have become diffused, the problems of training and retraining more urgent and the climate for enterprise colder. The temptation is yet another repackaged initiative and Mr Heseltine, the trade secretary, with his one-stop shops, bas

fallen for that temptation. The most urgent need is for technical and vocational edu-

with the Tecs' confused, faltering steps, the capacity of our further education colleges, with their more dedicated and motivated staffs, has trans-

formed what was once called "that neglected sector". I believe, having in the last 10 years served both as the chairman of an enterprise trust and as the chairman of governors of colleges of further education, that the latter, directed by professionals, assisted now hy dedicated nominees from the private sector, can provide

survey. While last year 7 per | cation. In the years concurrent | deliver what the economy

I urge perhaps not vainly for the government is constantly tinkering with its training initiatives - that the Tecs be closed down. Their training role should he put where it 🐞 belongs, in the further education sector, the (lesser) enterprise role into the one-stop shops. As an additional benefit some of the £2bn Tec budget would be saved.

Ansel Harris, 23 Ferncroft Avenue. Hampstead London NW3 7PG the vehicle most likely to

Russia needs backing for targeted projects in addition to aid at macro-economic level

From Sir Ronald McIntosh. Sir, Your leader of May 13 "G7's Russian roulatte"), rightly underlines the need for the western democracies to adopt a bolder and more imaginative approach to Russia's

economic problems.

Discussion has so far largely concentrated on the role western aid can play at the macro-economic level by encouraging tightar budget discipline and hringing inflation under some sort of control. These are of course essential objectives which are crucial to the success of the reform process. But Russia's economic miracle, unlike Germany's since the second world war, will not be achieved simply – or perhaps even primarily – by macro-eco-nomic policies, however well conceived and executed.

Because of the physical and mental rigidities engendered by years of state control. macro-economic policy needs to be complemented by well directed and painstaking action at the micro-economic level. And since tighter budget discipline will have an adverse effect on most Russians' standard of living for some time, micro-economic aid should be targeted at projects which are directly relevant to everyday

lives of ordinary citizens. Technical assistance of the kind supported by the British government's Know-How Fund has an important part to play | London SWIP IRL

in promoting heneficial changes at the micro-economic level. But something more is required if the long-suffering Russian people are to be given any hope of tangible improve-ments in their standard of liv-ing while the macro-economic policies do their work.

l helieve part of the new western aid package should take the form of soft loans, which would be repayable in foreign currency when the rouble becomes fully convertible and available for financing new capital projects in such fields as food processing and healthcare (two sectors where I have direct experience of current conditions in Russia).

The financing of these projects - which could include such things as dairies, bakeries, hospitals and medical equipment factories - should be linked to the continuing provision of western technical assistance and management expertise.

This approach would in my view meet an urgent human need and be of long-term benefit (both economic and political) to Russia and the donor countries. It would fit comfortably with the concept of a "second Marshall fund" envisaged in your own leading article. Ronald McIntosh, 10 Westminster Palace Gardens,

From Ms Mary Sweet. Sir, I have just read your excellent article, "Victim of

An ode to social class

class action" (May 15). With all the talk about class and lessness, I feel utterly confused, and haven't the fogglest idea what, if any, class I am. But perhaps my late father summed it up perfectly in a Hampshire SO41 9NF

poem be used to recite: "There were two moles of equal worth; but not it seems of equal birth. The one who said his blood was blue, was much the bloodiest of the two". Mary Sweet, 10 St Thomas Park.

UK brewing industry one of the most competitive

From Mr Robin Simpson. Sir, You reported on a study by Lehman Brothers which alleged that the UK wholesale price of lager was twice the level in France and the Netherlands and that brewer productivity in the UK fell 11 per cent between 1989 and 1991 ("UK

brewers top list for dear beer".

Both these statements are incorrect. Government figures show a productivity growth of 0.6 per cent between 1989 and 1991. Also, using this short period does not give the full picture since productivity grew hy 21.5 per cent from 1985 to 1991. These figures are based on UK employment data which include work areas excluded from comparable Continental

figures. On price, the comparisons in the report are for standard lagers defined as 4.5 per cent to 5 per cent alcohol. This may be the right basis for Continental countries where such beers account for at least 80 per cent of sales; in the UK they account for a little more than 10 per cent of total volume.

The comparison is therefore between mainstream Continen-tal beers and specialist UK beers, and is not comparing like with like.

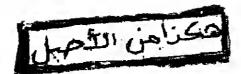
Typical supermarket prices for leading lagers of about 4 per cent convert to £106-£113 a hectolitre. These figures include excise duty and retailers' gross margins and yet are below the Lehman Brothers wholesale price, net of all duties, of £117. Net of duty, but still including the retailers gross margin, prices fall to £65-£70 a barrel.

Overall, it is clear the UK brewing industry is one of the most competitive in the world, with five national brewers and a large number of smaller companies providing active compe-tition. This contrasts with most other countries where there are invariably fewer leading players, and the industry is often dominated by one or two companies.

Robin Simpson, director, The Brewers' Society, 42 Portman Square, London WIH OBB

Artillery Roso

Bank on ir



FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL Tel: 071-873 3000 Telex: 922186 Fax: 071-407 5700 Wednesday May 19 1993

Bank's report on inflation

THE GOOD news is that the Bank of England's best estimate of underlying inflation over the next 18 months is 3-4 per cent. The bad news is that people do not believe the government will meet its 1-4 per cent target for inflation in the long run. The worry is that tha costs attendant upon convincing people they are wrong will so frighten the government that the sceptics will be proved right.

The Bank of England's latest

report on inflation derives esti-mates of expected annual inflation for between two and 25 years from now. Expected annual inflation, it shows, rises from 4 per cent two years hence to more than 6 per cent 8 years from now, before declining to 5% per cent. At no point is annual inflation expected to fall within the target range.

These results ought to make the chancellor weep. But it is not difficult to see why people are so sceptical. Past performance is one good reason. Another is the evident temptation. The ratio of net public sector debt to gross domestic product is expected to jump from 33% per cent in 1992-93 to 49% per cent in 1997-98. Such a rapid rise will itself increase the incentive to inflate, especially when the long-term real rate of interest on conventional gilts will be double the economy's trend rate of growth, should the government's inflation target be achieved. The rise in indebtedness occurs despite the higher taxes announced for future years in this year's Budget. But it may be increases, never mind the further increases that may be needed. The most important reason, however, for questioning the government's commitment is that achievement of its target may prove inconsistent with steady economic growth and declining

unemployment. "Looking to the end of 1994 and beyond," notes the report, "the principal uncertainty concerns the response of domestic factor costs - wages and profits -to the loss of purchasing power resulting from depreciation of the

The long term future for wages, both nominal and real, is the principal doubt. If nominal wage growth were too high, the target for inflation would either not be met or it would be met at the expense of a renewed squeeze on profits, employment and growth. If real wage growth were to be too high, inflation might be low, but growth would fail to reduce unemployment by any large amount. Either way the government might panic and try to go for growth. whatever the risks for inflation.

It is not good enough for the government to be determined to achieve its target. It must convince others it is determined. Otherwise, the costs of the achievement could prove excessive and the achievement itself correspondpolicymakers would be exploring every possible means, including independence for the Bank of England, to achieve the credibility

Inside profit

THE INTEGRATION of German trade unions into the structure of German capitalism has been an abiding feature of the country's economy this century. After the second world war, co-operation between trade unionists and management, especially the joint presence of employees' and shareholdrepresentatives on supervisory boards, greatly contributed to West Germany's indus-

Sometimes, however, trade unionists are well advised to keep clear distance from the se tive world of money-making. By purchasing shares in a Daimler-Benz holding company shortly before their stock market price rose sharply, Mr Franz Steinkuhler, the 1G Metall engineering union leader, and a member of Daimler's supervisory board, appears to have overstepped the limits of both propriety and good

Mr Steinkühler la one of Germany's most gifted and astute union leaders. He played an important part in the strike in the east German engineering industry which has just ended with a partial, though probably pyrrhic vic-tory for IG Metall.

In contrast to Angio-Saxon countries, insider trading in Ger-many is not illegal, althongb banks and companies run a voluntary code to try to curb it. As part of efforts to improve Germany's standing as an international financial centre, the government is planning legislation to outlaw the

Mr Steinkühler maintains that his share purchases were not prompted by inside information. He bought nearly DMIm worth of Mercedes Holding (MAH) shares in March and April, shortly before a formal supervisory board decision to dissolve the company, giv-ing MAH shareholders large windfall profits. Such transactions by a person possessing both a sensitive public profile and access to insider knowledge displayed an absence of caution, to say the least.

Apart from anything else, the Steinkuhler's standing among union members - especially relatively low-paid workers in the east. Germany's roughly 4m peo-ple out of work, some of whom owe their unemployment to unduly high wage rises since unification, may also ask bitter ques-

Mr Steinkkuhler's behaviour has evoked uncomfortable memories of earlier trade union blunders, such as over the Neue Helmat property scandal in the 1980s. He should now co-operate fully in the Frankfurt stock exchange's insider-dealing inquiries. If suspicions of malpractice are upheld. he will have no option but to

On a wider front, the incident is a reminder of the temptations facing individuals from both sides of industry in a corporatist business culture based upon both consen-sus and a good deal of secrecy. The affair underlines the need for more transparency in German

Cable telecoms

INFORMATION super highways are becoming the rage on both sides of the Atlantic. Their advocates argue that such fibre-optic networks would be able to provide customers not only with basic telephony and cable television services but a range of advanced services such as video libraries, high-speed databases and home

shopping.
US Vice-President Al Gore has picked up the idea, while a UK parliamentary select committee has launched an inquiry into the subject. Companies are also keen. Building such networks was the principal reason for this week's \$2.5bn investment by telecommunications group US West in Time Warner Entertainment, a leading US cable television company. BT, the largest UK telecommunications group, is anxious to get into the business too.

While there is nothing wrong with such enthusiasm, it is important that information super-highways are built because of genuine consumer demand rather than out of a desire by politicians and engineers to promote a captivating new technology. Such a technology-driven approach, dubbed plan cable, was tried by France in the

1980s and failed. But if development of such networks is to be left to the market, It is important that the market is allowed to function freely. Unfortunately, in both the US and the UK, regulatory barriers prevent the main telephone companies providing entertainment services over their networks. This undermines the economics of fibre-optic technology, since the phone companies are denied the chance to tap an important source of potential revenue which could be used to pay back their investments.

There seems little reason why this restriction should not be removed in the US. Mr Gore would be well advised to put his weight behind such deregulation and abandon his current flirtation

with subsidies.

In the UK, the situation is more complicated because the government made a clear statement only two years ago that the ban would remain until 2001, subject to possi-ble review in 1998. The idea was to protect fledgling cable TV companies from competition from BT until they were better established.

This argument was wrongheaded. Governments have no more business to force-feed competition than they do to force-feed particular technologies. But, given that the commitment was made, there would have to be compelling reasons to overturn it. These are lacking since it is highly unlikely that BT would immediately put fibre into people's homes even if

the ban was removed. However, there is a compromise which would allow BT to get moving without going back on promises to the cable industry. This would be for the government to remove the ban now for those parts of the country where no cable franchises bave been awarded and to indicate that it favours lifting the ban entirely in

ust a year ago, as Spain was celebrating the opening of the World's Fair in Seville and preparing for what would be a glorious summer Olympics, few could have predicted bow quickly the tide would turn against Prime Minister Pelipe González. An economy mired in recession and a wave of corruption accusations against his Socialist party have

turned the general election on June 6 into a cliffhanger.

The election is being fought against the backdrop of last Thursday's 8 per cent devaluation of the peseta, the third in eight months. and a crippling economic slowdown.

In the first quarter of the year
253,000 people lost their jobs, almost
3,000 a day, to take Spanish unem ployment to an historic 3.3m, or 21.7 per cent of the working population. This means Im more people are out of work now than in 1982, when Mr

González' Socialists came to power. Soaring unemployment merely compounds a gloomy economic picture. The deficit on Spain's current account, in surplus until 1988, reached 3.3 per cent of gross domestic product last year, though the recession is now causing it to fall. The country had the second-highest trade deficit in the west last year at \$29.2bn. The government, which has overshot public spending targets by up to 60 per cent in three of the past four years, has been forced to delay promised personal tax cuts to prop up own finances.

But Mr González is not fighting only on the economic front. The Socialists face a series of corruption allegations over illegal party financ-ing which have undermined his credibility. He tried, and failed, earlier this year, to persuade party offi-cials, usually hostile to many government's economic policies, to take responsibility for the irregularities

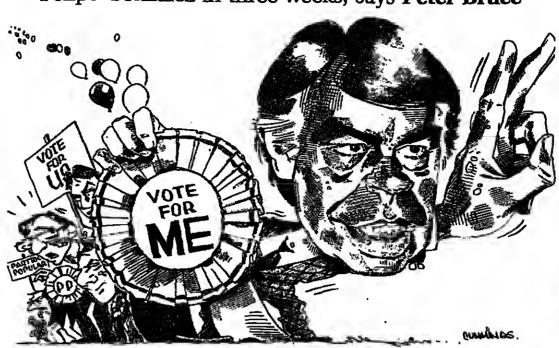
but nobody was willing to resign. Outmanoeuvred and aware that the poor relationship between the government and the party could not be easily smoothed over, Mr Gonz-ález gambled on a snap election, bringing the vote forward by about five months.

The essence of the gamble was simple. The economy would oot show an upturn before the election and, thus, the Socialists would probably lose their overall majority in parliament. But Mr Gonzalez was confident the opinion polls were accurate in showing him to be more popular leader than Mr Jose Maria Aznar, the young new leader of the conservative opposition, the Partido Popular (PP), and thus he might keep his job as prime minister. He was banking on Spain voting, as before, for a strong political leader, and not concentrating on subtle differences of policy.

The gamble was risky, but it was beginning to pay off: by last Thurs-day, the Socialists had crept back much in the race.

Reign in Spain is put to the test

Recession and corruption scandals threaten to unseat Felipé González in three weeks, says Peter Bruce



trailing at the beginning of the campaign. With half the electorate still declaring themselves undecided, the assumption took bold that Mr Gonzalez, rather than Mr Aznar, had the best chance of winning them over. Most undecided voters are disillusioned formar Socialists who, according to a European diplomat in Madrid, "are just waiting for Felipe to give them a reason to stay with him one more time".

Then came last week's devalua-tion. It was a bitter blow to the prime minister. It coincided with the announcement of a big leap in unemployment and an uncomfortable 0.4 percentage point increase in inflation in April, to an annualised rate of 4.6 per cent.

The gamble suddenly looked shaky. But, by early this week, it was difficult to detect signs that the PP had been able to capitalise on "Black Thursday" and put itself decisively at the front of the race. Polls in next Sunday's newspapers could tell a different story. At this point, however, and despite the bad news, Mr González is still very

Partly, this resilience can be explained by the fact that official figures do not reveal the truth about the economy. Real unemployment is much lower than the offi-cial 3.3m and Mr González himself reckons Spain's black economy might be half as big again as the official \$478.2bo gross domestic product figure for last year. A few weeks ago, 400,000 small Spanish investors bid for shares in the partial privatisation of the state's Argentaria bank, The issue was

oversubscribed nearly five times.

Mr González is also belped by Mr Aznar's failure to present himself to voters as a clear and attractive alternative. While he has been able to unite his party over the past three years, Mr Aznar has failed to pot forward detailed proposals in the campaign on how to stimulate growth. Instead, the PP has opened itself to criticism for welding together a vague set of principles lower taxes, more privatisations, tighter fiscal control and maintaining infrastructure spending at cur-rent levels - that it is marketing as its economic platform.

audit of the state of the country before deciding how to revive the economy, something he can do only if and when he assumes office. He cannot rule out raising taxes if the "audit" shows the economy in worse shape than he assumes it is. The problem for the PP is that it agrees broadly with the government's efforts to encourage the Spanish economy to converge with the rest of the European Commu-nity to meet the timetable for economic and monetary union.

Mr Juan Lladro, one of Spain's leading businessman and a producer of fine porcelain figures, says "very little" would change if the PP were to win the general election. The PP is, in theory, conservative but, in practice, it would be the same as the Socialists."

Both parties agree on the need to contain public spending; freeze taxes and then cut them later; lower interest rates, now at 11.5 per cent, when inflation is lower; make it easier for employers to hire and fire; support the peseta within the exchange rate mechanism of the European Monetary System; and Mr González - who had staked hi nse public funds to stimulate job on a Yes vote - losing. He won.

employment and investment. But, says Mr Rodrigo Rato, the PP's finance spokesman: "I, at least, have my party behind me when I talk like this. Carlos Solchaga (the Socialist finance minister) has to

fight his party all the time." But, even with his party behind him in government, Mr Rato would find life in the new parliament complicated. Spain's two big regional parties – the PNV which runs the Basque country and the CiU which runs Catalonia - will be the main power brokers in what is likely to be a bung parliament. If the result is close, complex coalition negotiations could seriously delay the formation of a government and result in new pressures being brought to

he financial markets would expect a new administration to put together an austerity package to cut the current account deficit and thus help anchor tha peseta at its new parity within the ERM. But the regions would demand a heavy price for their co-operation in the form of a speedier transfer of political powers from Madrid in areas such a health, education and taxes.

The Catalans and Basques intend to spend the rest of the campaign playing the Socialists and the PP off against each other to ensure that both big parties are as weak as pos-sible after the election. The Social-ists and the PP need to win as many seats outright as possible to lessen

dependence on regional assistance. For his part, Mr González is con-centrating on swaying undecided voters. He could still stumble, but the worst of the economic news is probably behind him. For many people who voted Socialist in 1989 and who are now wavering, the main election issue is corruption. Building bridges to those former supporters who now feel betrayed

will be delicate work.
For instance, the Socialist attorney-general recently admitted he had granted an audience to a for mer policeman jailed for involve ment in a secret war against exiled Basque terrorist group, ETA. The disclosure has renewed concern that the government secretly financed this "dirty war" and may pardon the policeman. That suspl-cion could cost Mr González the votes of left-leaning doubters.

But, barring further revelations about the government's fight against ETA during the 1980s, the odds on Mr González's returning to the prime minister's Moncloa Palace residence after June 6 must remain good. It should be remembered that, two days before the referendum on whether Spain should stay in Nato in 1986, polls showed Mr González - who had staked his

How Workstart should work



ment's employment policy over the coming weeks, for we are in danger of los-ing an opportunity to cut Britain's unemployment rate PERSONAL dramatically - per-

VIEW haps by 50 per cent or more - without additional inflation or cost to the Exchequer. The promise lies in the proposal to give the long-term unemployed the option of using their unemployment benefits to provide vouchers for employers who hire them. This is the gist of my henefit transfer programme, on which the government's Workstart

initiative is based. We have much to gain from giving it a try. If employers were paid as much to provide work as people receive when they are out of work, a substantial number of jobs is bound to be created. If the amount spent on employment vouchers does not exceed what would have been spent on unemployment benefits, the programme will necessarily be completed the government's exist-costless to the government. And if ing training programmes often fail

the length of a person's unemployment spell, the long-term unemployed receive the greatest incentive to become productive.

The Workstart pilot schemes, however, fall strangely short of this vision. They are available to just 1,000 people who have been unemployed for more than two to four years. To hire these people, employ-ers are offered a subsidy amounting to £2,340 per year, which falls far short of the 28,000 that the average unemployed person costs the taxpayer. In comparison to what it saves in unemployment benefit, the government is not offering much. Beyond that, the pilots do not

induce employers to retain employ-ees once their subsidies have run out. The simplest way of doing this is to provide incentives for employers to spend the subsidies on training, so that recruited workers become sufficiently productive to remain employable after the subsidy period. The chance to promote training while reducing noemployment is a godsend. People who have

Watch the govern the size of the voucher rises with to find jobs and, as a result, work. In my judgment, this approach is create jobs indirectly by reducing ers often have little incentive to participate in them. By contrast, employers which spend their job subsidies on training would invetiably have an incentive to provide jobs once the training is completed and to ensure that this training is appropriate to the jobs. And this training would cost the Exchequer

> Dennis J Snower on why the government's Workstart pilots do not capture his original vision

nothing. Why, then, are the Workstart pilots not designed to exploit these opportunities? The simple answer, it appears, is that policy makers are sceptical that this policy can really promote employment. Once the employment objective has been abandoned, all that remains is to spread the pain of unemployment more equally.

misguided. It rests on two dangerous myths. The first is that Workstart could not create employment because, at the current level of demand, there is only a fixed number of jobs available, This overlooks the fact that, by reducing labour costs the subsidies lead employers to reduce prices, stimulating demand, and to use labour more intensively. The second is that Workstart's

ability to create jobs would be destroyed by "deadweight" (when the subsidies are spent on people who would have been employed anyway) and "displacement" of existing employees by the unem-ployed. But deadweight can be minimised by concentrating the subsidies on the long-term unemployed, since these people have relatively little chance of finding jobs. Displacement need not be a big obstacle either. When it is discouraged by giving employers bigger subsidies when they can demonstrate thet the mew recruits are additions to their workforce - the subsidies create new jobs directly. And when displacement is permitted, it can

job security of existing employees. Once these myths are exposed, we can see the crucial issue that policy makers should be addressing: how to make the Workstart subsidies maximally effective in promoting employment and training. The more jobs are created, the less the government will have to spend on unemployment benefits; then it can afford to pay more generous employment subsidies, so that even more jobs will be created. But this is precisely where the Workstart pilots will leave us in the dark.

The Workstart pilots need to regain the vision that inspired them. With more than 10 per cent of the population unemployed, we have little time to waste. A programme that gives us the opportunity of slashing unemployment in a voluntary, costless, non-inflationary way deserves to be adopted on a national scale without delay. The author, whose previous article on Workfare was published on February 23, is professor of economics, Birkbeck College, University of Lon-

don, and programme director, Centre

for Economic Policy Research

OBSERVER

Can the twins keep flying?

■ Who has the safer job - Jacques Attail, the president of the European Bank for Reconstruction and Development, or his twin brother Bernard, chairman of Air

Until recently, the betting would have been that Bernard boasted the greater degree of security, especially since tha hullabaloo about the spending habits of the EBRD. The presidency of the London-based EBRD was never going to be an easy job, whereas the boss of France's flag carrier has long enjoyed the support of President Mitterrand. Now however, not only has the

political wind swung round, but Air France's losses have only been piling higher under Attali's pilotage. If France's new centre-right government really does intend to match words with action and adopt a much tougher stance towards state-owned loss-makers. such as SNCF and Air France, then there could be some truth in the rumours that Peugeot boss Jacques Calvet may be in the running to take over from Bernard Attali.

Having worked for Valery Giscard d'Estaing at one stage, Caivet's politics are more in tune with the new government. During his 10 years at Peugeot, Calvet has proved that he knows how to rationalise a business and cut borrowings.

And when it comes to fighting his corner, he is, if possible, even more outspoken than British Airways' Lord King who restored the fortunes of Britain's national flag carrier.

Paying up Among the deft hits of prudent accounting which helped the Institute of Chartered Accountants in England and Wales to get out of the red in 1992, one item stands out. The institute's £38,000 surplus is more than accounted for by a doubling, to £109,000, in income from "maintenance of professional and ethical standards" - in other words, a substantial increase in the number and level of fines against misbehaving members.

Initial search ■ Not before time, the search for Barclays' new chief executive has finally spread to the US and Observer understands that Tom Johnson, 52, the former president of Manufacturers Hanover Corporation (now part of Chemical Bank), has indicated that he's

pretty keen. Nothing official, of course. Headhunters Spencer Stuart have yet to draw up a short list and Barclays is still several weeks from making any formal approaches. But Johnson has been sounded out informally to see whether he would be interested in the position.

Given that Johnson has not had

We'll sack the scabs as soon as they've made their own replacements'

a high-profile job for nearly a year and a half now - apart from a two-week stint at troubled real estate developer Olympia & York where he made an estimated \$3m it would be surprising if he didn't show a passing interest in being chief executive of an international hank which not so long ago regarded Citicorp as one of its few real rivals.

Then again, Johnsoo has been mentioned as a possible head honcho of everything from the FDIC to the New York Fed. Meanwhile closer to home, rogue

banking analyst Terry Smith has spotted that the UK's three most

successful bankers all have the initials BP - Brian Pitman at Lloyds, Brian Pearse at Midland and Bruce Patullo at Bank of Scotland. Though none of these would

accept the Barclays job, Smith's advice to Barclays is to recruit a banker with the same initials. The only candidate which springs to mind is Peter Burt, also of Bank of Scotland -- though it is unclear whether the initials work their banking magic when they are in

Roundabout

Uturns are becoming a fact of life for the prime minister, John Major. But in excluding John Butterfill, the portly MP for Bournemouth West, from the committee charged with scrutinising the finance bill, the government has surpassed itself. This was a U-turn on a U-turn.

When Butterfill's name was missing from the list of committee members originally published earlier this month, it was described as an "oversight" and the omission swiftly rectified.

But Butterfill has been dropped again. This time, according to one committee member, "a shady deal" had been hatched between the white offices excluding one MP from both leading parties.

Who is supposed to be deceived? All Westminster knows Butterfill is no friend of the government's planned reform of the North Sea

tax regime. His presence on the committee - which began its deliberations yesterday – would have resulted in an apparent majority for his proposed changes.

Jinxed

■ The curse on Shakespeare seems to be spreading. Last February, the Royal Shakespeare Company's production of Richard III at the Donmar Warehouse had to be repeatedly put off because Simon Russell Beale, who plays the king, developed back trouble, possibly from overdoing the bump. A few Saturdays ago at the

National Theatre, Alan Howard had to race through a key speech as Macbeth before leaving the stage to be audibly sick. The production was resumed 25 minutes later with an understudy. Now the formal opening of King Lear, which should have taken place in Stratford last night, has been postponed because Robert Stephens in the title role has a foot infection.

Obviously too much fooling about naked in the storm. Word is that he may be better tomorrow,

Literals

■ Noah's ark has just discharged its cargo of animals and is preparing to put to sea again when Noah notices a couple of snakes on deck. "What are you doing here? I thought I told you to get off the ark and go forth and multiply". "We can't ... we're adders."



Pressure rises for Steinkühler to resign from Daimler board

Dempsey in Berlin and David Waller in Frankfurt

GERMAN politicians and rank-and-file trade union members called last night for the resignation of Mr Franz Steinkühler, leader of the 1G Metall engineering workers' union, from board memberships for alleged uisider dealing in shares in a Daimler-Benz holding company.

The affair also brought new pressure for an urgent law to ban insider trading on the German stock exchanges.

Mr Steinkühler, the leading trade union member on Daimler's supervisory board, has denied the insider dealing charge but admitted huying almost DM1m (\$620,000) worth of shares in the holding company, MAH. The shares increased in value hy almost 20 per cent after a Daim-

ler board decision to exchange them for full company shares. Mr Otto Lambsdorff, leader of the Free Democratic party in the ruling coalition in Bonn, said Mr Steinkühler should resign all his supervisory board positions - in Volkswagen, Thyssen and Daimler-Benz - if there was any

confirmation that he had abused

his position. Mr Heiner Geissler, a deputy leader of the Christian Democrat group in parliament, said it would be "probably better if Steinkühler were to quit". Seven works councils at the

Mercedes-Benz plant in Stuttgart, the automobile subsidiary of Daimler, called on the IG Metall executive for Mr Steinkühler to step down from his board mem-

Mr Karl Feuerstein, chairman of the overall works council for Daimler, said his members were

any member of the supervisory council would speculate in company shares.

A senior union official in east Germany, where IG Metall members are on strike, was clearly shocked by the allegations.

"Here we are haggling over get-ting our members DM60 extra a month," he said, "and the media are talking about DM1m. i don't want to talk about it. I prefer speaking about millions of people In eastern Germany who have iow wages, not about a million-

There was also some sympathy, however, for Mr Steinkühler, who has won a reputation as a tough and successful negotiator for his members in more than six years as leader of the country's largest

Mrs Ursula Engelen-Kefer, deputy leader of the DGB trade dealing was "an entirely private affair . . . The decisive issue is whether someone has pursued a correct and convincing policy."

The pressure for legislation to outlaw insider trading was stepped up in Frankfurt yesterday. Mr Rüdiger von Rosen, chief executive of the Deutsche Borse the German stock exchange · said the Steinkühler affair made it imperative for the German government to bring forward its stock market reforms.

"We urgently need a centralised and internationally respected supervisory hody for the securities industry," he said.

Mr von Rosen said the circumstances surrounding Mr Steinkühler's share purchases would form part of a hroad investigation heing conducted by the insider commission of the Frank-

Judge agrees prosecution prejudiced outcome with book on defendants

Soviet coup trial set to collapse

By Leyla Boulton in Moscow

THE TRIAL of the 12 Soviet coup leaders yesterday seemed set to disintegrate after a judge ordered the dismissal of the prosecuting team for prejudging the outcome hy publishing a book about the defendants.

Presiding judge Anatoly Ukolov granted a motion by the defence that the prosecutors should be removed from the case because of "serious violations" of legal procedure by the Russian prosecutor-general. Mr Valentin Stepankov, and his deputy. Mr Yevgeny Lisov.

Defence lawyers argued for the orosecutors' dismissal on grounds of bias. They alleged that Mr Stepankov and Mr Lisov last year when they published a the very start, when Mr Stepan-hook, Kremlin Plot, that kov had the 12 indicted on the described them as criminals.

Mr Stepankov is not personally prosecuting the case, hut was responsible for appointing the prosecution lawyers. The military hranch of the Supreme Court decided to suspend the trial pending a decision

by parliament on what to do

next. The move is a stinging indictment of the prosecution's incompetence and an embarrassment for President Boris Yeltsin. It is now unlikely that the men who declared a state of emergency on August 19 1991 and brought tanks into Moscow to

prevent what they saw as the collapse of the Soviet Union will ever be brought to justice.

charge of hetraying the Soviet motherland - which the defendants argued they were trying to save. The charges bad to he revised subsequently in order to make them more likely to stick. In the meantime, videotaped interrogations of the accused were sold to the media. The cul-

prits in the prosecutor's office

were never discovered. Having already degenerated into near farce, the trial is unlikely to recover from this latest blow. Deputies, locked in confrontation with Mr Yeltsin over his determination to dissolve the conservative-dominated parliament, are unlikely to take any decision to help the trial along. Even if they do, the defendants'

lawyers have an arsenal of other delaying tactics, including the ability to declare any of the elderly defendants too ill to attend

The trial resumed only yesterday after heing suspended three days after it opened, when Mr Alexander Tizyakov, the 67-yearold former leader of a hardline industrialists' union, was taken to hospital with heart trouble.

But in spite of being released from jail on grounds of illness pending the final judgment, two of the other defendants, Mr Vladimir Kryuchkov, the former KGB chief, and Mr Anatoly Lukyanov, head of the Soviet parliament, have been attending anti-Yeltsin demonstrations and meetings of the recently unbanned Commu-

US points up rift with Allies on Bosnia

By Jurek Martin in Washington and Michael Littlejohns In

between the US and its major allies on Bosnla was underlined yesterday by Mr Warren Christopher, the US secretary of state, who said Washington considered it impossible to implement the Vance-Owen peace plan for Bosnia "at the present time".

His remarks coincided with statements by both the European Community and Mr Andrel Kozyrev, the Russian foreign minister, declaring their continu-ing commitment to the international peace plan, which Moscow wants to implement by stages, even though it has not heen accepted by the Bosnian Serbs. Mr Christopher told Congress

yesterday it would be futile to attend the foreign ministerial ish foreign secretary, may also meeting at the UN on Friday, fly to Washington this week for proposed by Russia to discuss talks with Mr Christopher. rejected hy one party". At the UN in New York, it was announced that the session had been cancelled.

Announcing the decision after a hrief private meeting of members, Mr Yuli Vorontsov, the Russian delegate, who is the current Council president, insisted that a ministerial session would still be held, but only at a later date after further consultations.

Mr Christopher nevertheless said he would meet Mr Kozyrev in Washington on Thursday and Mr Alain Juppe, the French foreign minister, early next week in pursuit of a common allied strat-

is providing 60 per cent of the

investment, involves upgrading

other parts of China.

said: "We have not given up on what we think is the soundest approach - liftlng the arms emhargo against Bosnia with whatever compensatory air action may be necessary." He conceded "our allies and friends are not prepared to follow this

He generally sought to play down reports of deep rifts hetween the US and its allies over the next steps in Bosnia. it was "not surprising" that it was taking time to arrive at agreed positions to try and solve "an historically difficult and tragic problem" in which atrocities were

egy. Mr Douglas Hurd, the Brit- being committed by all sides. This reflects the current determination of the administration to put Bosnia, albeit temporarily, on the hack borner of policymaking. President Bill Clinton was given some sense of the intermittent public attention to the issue on Monday night when no questions about Bosnia were put to him in an hour-long San Diego "town meeting" dominated

> Although it has received qualified US backing as "the only game in town," Mr Christopher has long been sceptical about the feasibility of deploying a major peacekeeping force to implement the complex Vance-Owen plan.

hy concerns about the domestic

Rift on the cards, Page 3

Foster's invests \$85m | Cosa Nostra fugitive in Shanghai brewery

By Tony Walker in Beijing and Bruce Jacques in Sydney

FOSTER'S, the Australian brewer, is to expand into China, the world's fastest growing beer

Its Carlton and United Breweries subsidiary yesterday announced a A\$120m (US\$85.7m) joint venture with Huaguang Brewery in Shanghai. Mr Ted Kunkel, Foster's cluef executive, said the brewer expected within five years to produce as much beer in China as it did in Austra-

The joint venture was the start of a A\$200m investment strategy in China over the next seven years. Mr Kunkel said the aim was to develop a range of successful local and regional hrands. it would brew Foster's as its 'International premium brand'

in due course. "This historic step into China is a critical strategic move for the long-term growth," Mr Kunkel "I expect it to become our fourth brewing arm, joining CUB in Australasia, Courage in England and Molson Breweries in North America

The project, in which Foster's

arrested in Sicily

By Robert Graham in Rome

the existing brewery and develop ing a large operation in Shang-hai's Pudong Development Zone. Mr Kunkel said Foster's was also looking at joint ventures in Sicilian Mafia.

Shanghai's Huaguang is one of the city's leading hrewers, servicing China's biggest city of 13m people, and a huge population in the Yangzi river delta. Its better-known brands include Guangming and Shanghai. CUB executives believe the latter has inter-

national potential. Huaguang said the state-owned company hoped to dominate the Shanghai market through Its CUB joint venture. Huaguang's market share is 20 per cent.

Mr Kunkel expects China, with its 1.3hn people, to replace the US as the world's largest beer market within 10 years.

International brewers attracted by the enormous potential in China include Heineken, Becks, San Miguel and Suntory, all of which have established joint ventures. Brewers whose beer is made under licence include Miller, Holsten and Carlsberg.

TALIAN security forces yesterday announced the arrest of Mr Nitto Santapaola, the most wanted member of Cosa Nostra, the umbrella organisation of the

Mr Santapaola, wanted by the authorities for over 10 years, was surprised at a farm some 80km from his base of Catania during a night-time raid carried out hy 400

His capture follows that in January of Mr "Toto" Rlina, his main ally in the ruling commisslon of Cosa Nostra. Although interior ministry officials said there were 25 people still on the government's most wanted list, these two arrests represented a major blow to the organisation of the Mafia

The capture of Mr Santapaola came five days after a car bomh exploded in the wealthy Parioli residential area of Rome, injuring 23 people. Police are working on the theory that the bomhing was the work, at least in part, of the

Mr Nicola Mancino, interior minister, told parliament it was a reasonable assumption the bomb-

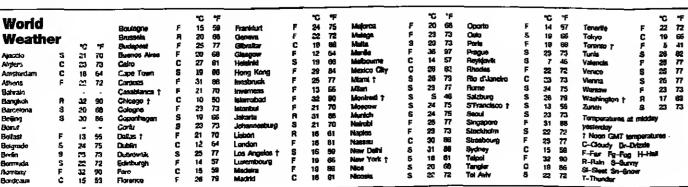
ing was directed against Mr Maurizio Constanzo, a television talk-show host. Mr Constanzo's car passed just three seconds before the explosion, but was

shielded from the blast by a wall. In parliament, some deputies questioned whether the terrorism was not part of a destabilisation campaign conducted by dissident elements in the security services.

Mr Luciano Violante, head of the parliamentary anti-Mafia commission, said: "The arrest of Santapaola is not a reply to the bombing in Parioli . . Rather it is another piece in the strategy of continuous assault on the structure of Cosa Nostra, which the state has been carrying out

firmly over the past year."
Police claimed they had been closing in on Mr Santapaola for ome time. Already 105 arrests warrants bad been issued against members of his clan and a further 39 against its allies.

The raid was carried out by a special group, who, for security reasons, came in helicopters from Reggio Calabria on the mainland. Mr Santapaola offered no resistance before heing escorted to a maximum security jail for ques-



THE LEX COLUMN

BA's flight surcharge

Investors huying into the privatised British Airways may have anticipated Mr Peter Lynch's adage: "I like to huy a company any fool can manage because eventually one will." With 40 per cent of the landing slots at the world's husiest international airport, it was only a matter of time before a more commercial BA produced the financial goods. The Virgin fiasco aside, BA's management has proved far from foolish. Profits may have fallen heavily to £185m last year but its performance still contrasts favourahly with most international airlines.

Yet yesterday's £442m rights issue highlights how BA is now raising its risk profile. Expensive equity finance is heing used to help fund BA's unproven globalisation strategy. This consists of spending £574m on an array of minority investments in foreign carriers, such as USAir and Qantas, over which BA exercises limited control. BA hopes industry liberalisation will permit greater control, leading to substantial scale economies. This, though, may represent a flight of fancy, given the highly politicised reg-ulatory environment. Without such reform, it seems improbable that BA's investments will produce anything like an adequate return. Although depressed by start-up costs, a £17m loss from associated investments in TAT and Deutsche BA hardly repre-

sents the most auspicious start. Comfort may he drawn from the projected oecline in the industry's capacity growth coupled with a pick-up in UK and US passenger demand. This should work wonders for BA's profits over the next two years. Its operational gearing is high: a one percentage point rise in capacity yield adds about £50m to profits. It would be unfortunate, though, if the timing of the rights issue allowed these short term hiandishments to obscure the longer term concerns,

Marks and Spencer

A 3 per cent fall in your share price on the day you turn in an unexpectedly good 25 per cent increase in pretax profits must seem scant reward for hard work. That, sadly, is the cross Marks and Spencer has to bear. Its gross margins are 36 per cent while its net margins are an astonishing 13 per cent. Those looking to make a quick buck from economic recovery ogle the likes of Burton with 50 per cent gross margins hut only 3 per cent net fig-ures and dream of what might be. Certainly those retailers which sufFT-SE Index: 2847.2 (-10.8)



fered in the recession have plenty of room for improvement. Yet that is to miss the point. Marks has a quality of earnings which is almost peerless. Even its great rival, J. Sainshury, carries greater risks with its massive capital expenditure programme and very expensive sites. Marks' investment in systems and staff will also continue to provide long-run productivity gains. Yesterday's angst about the company's pay award emphasises the conflict. Short-termists worry that Marks needs to keep volumes growing this year to pay for the 6 per cent rise in staff costs. That is true as far as it goes, but the company is opening 3 per cent more selling space this year, and its "outstanding value" promotion is timed to increase market share at precisely the right moment in the cycle,

Longer term growth will come from continental Europe. The company has has finally got its formula right and is expanding into a weak property market. Rolling out across Europe provides plenty of elbow room for sales growth. Given that Marks' shares are only 3 per cent higher than they were this time last year, it may be wondered what management has to do to

Allied-Lyons

The new management installed at Allied-Lyons after its foreign exchange losses in 1991 has had plenty of time to become established, so the company should by now be starting to see the benefit in Its results. But despite heavy expenditure on restructuring, trading profit remains down in every division except spirits and wine; even that has grown hy a mere 2.4 per cent

charitable explanation is that the recession is to blame. The nagging worry is that the revitalisation of the company is not yet complete.

Retailing will not this year have to contend with the disposal of 550 puts, while the hrewing side has yet to feel the benefits of the Carlsberg-Tetley alliance. But food margins are down, and if the lack of news on Châtean (atour is anything to go by disposals are not yielding as much as they might. Success on that front would create room for manoeuvre. Gearing at 66 per cent is not uncomfortable but it is a constraint. Ailied's asse tion that it would only launch a rights issue if it had a significant acquisition in mind is also an admission that it could not easily expand without one.

900 STOWS

UK economy

The Bank of England points in its inflation report to the disparity between the government's inflation target and inflationary expectations implicit in gilts prices. Whether these expectations are measured by extrapolating the course of short term rates from the yield curve or through the yield difference between index-linked and conventional gilts, they do not suggest the public has enduring faith in the authorities' anti-inflation stance. The bank's rather feeble response is that this could change over time if inflation stays within target

A gradual decline in inflationary expectations would certainly help the government's massive funding programme. This year, inflation should be well within range. Next year looks a closer call, partly because the imposi-tion of VAT on fuel will add 0.4 per cent to retail prices. It would help if companies relied on volume increases to improve their profits in the recov-ery, rather than pushing up their margins at the first sign of increasing demand. There is some chance of this, both because capacity use remains low and because manufacturers' margins held up relatively well during the

Even so the message is one of need for vigilance. The shape of the yield curve suggests a marginal fall in inflationary expectations since the Bank's last report. But while monetary policy has to bear the brunt of the battle against inflation, there is precious littie room for lower interest rates. That could turn out awkwardly if the market does require a steeper yield curve to absorb all the gilts on offer.

が世界の対象を表現というという。



is known for its stock selection skills.

Now we're going all out for growth in the UK - with the launch of Selector UK - a new Fund that's more focused and more selective than ever before.

We're putting the spotlight on individual companies with hidden values and excellent growth potential. The Fund Manager, who has an outstanding record of performance, will actively manage the Fund to maximise buying as well as selling opportunities.

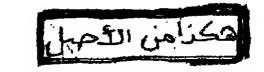
Act now and your investment couldn't be better timed.

Talk to your Independent Financial Adviser today or complete the coupon below to register for your 1.5% Privilege Discount on the fixed price offer during the launch period. Alternatively, call us free now on 0800 282 465

	Morgan Grenfell Investment Funds Ltd. 20 Finsbury Circus, London EC2M 1UT. Please send me details of Selector UK.	•
	Name	
4	dress	
_		

Please remember the price of Shares and the income from them may fall as well as rise, and you may not get back the amount originally invested.

Past performance is not necessarily a guide to future returns sued by Morgan Grenfell Investment Funds Limited, 20 Finsbury Circus, London EC2M 1UT. Member of IMRO.





FINANCIAL TIMES

OTHE FINANCIAL TIMES LIMITED 1993

Wednesday May 19 1993

™NO/MURA

Local Commitment Global Capacity

mure International ple Nomera House Felephone: 071-236 8811 | Telex: 883119 Member of SI'A and ISI.

INSIDE

Conti sees profit after a 'miserable' time

Continental will make a profit again this year in spite of a "miserable" first two months, and may be able to pay its first dividend since 1990, the chief executive of the German tyre company said

Rentokil bids for Securiguard

Rentokil Group, the environmental and property services company, yesterday launched e hostile £59.2m all cash bid for Securiguard, the provider of security and cleaning services in the UK and US. The offer was rejected by Securiguard's board, who said it "significantly" undervalued the company and advised shareholders not to sell. Page

BOC shows 11% rise to £180m

BOC, the UK industrial gases and drugs group, yesterday reported profits on ordinary activities before tax up 11 per cent from £182.1m to £180.1m for the six months to March 31. The results were flattered by favourable currency movements. Page 29

Dutch assault manure mountain



The Dutch government has reached an agreement with the country'e farmers to reduce manure surpluses. Modern animal husbandry techniques have left the country with more manure than can be safely absorbed by farmland, causing stubborn problems such as air and water pollution. A central element in the new system for controlling manure surpluses will be a "mineral ledger". Page 36

Gold shares glister

Toronto . Gold and aliver index 7.000 5.000

North American analysts have been investors in gold mining shares to be cautious, but that advice has gone unheeded in the past week. The surge in the gold price to almost \$370 an ounce has uncorked yet another buying binge in the stock market. The climb in North American gold shares has far outstripped the bullion price. Back Page

NIE makes £56.6m

Northern Ireland Electricity, the Belfast-based utility which is to be privatised next month, made an operating profit of £56.6m (\$87m) on turnover of £452.4m in the year to March 31, according to the pathfinder prospectus issued yesterday. Page 30

Market Statistics

Base landing rates Beachmark Govt bonds FT-A Indices FT-A mortel indices - Black Page FT-A world indices - Black Page 26 Financial futures Foreign exchanges . London recent issues

London share service Liffe equity options
London tradit, options Managed fund service New Int. bond Issues World commodity prices World stock mid indices

Companies in this issue

Banque Indosuez Banque moosue Baring Stratton Bomberdier British Airways Caslo Clarion Daiwa Dayton Hudso

Honda

Alled Lyons Astra BSN Banco Santander Janssen Pharm. Janssen Frank Linx Printing METHO-Goldwyn-Mayer 24 Marks and Spencer 27, 22 Misys Mitsubishi Kasel N Ireland Electric Olympus Pittencrief RPC Group Degussa Diploma Drew Scientific Renault Rentold Repola Securiguard Eswick
Empresas ICA
Fenner
Fisons
Fluor Daniel
Gartmore
Hanson Slam Cement Telecom New Zealand 28 VIAG 28 Volvo Warburg SG Weltcome

Chief price changes yesterday

1040 + 26 835 + 41 731 + 19 382 + 14.6 655 + 15 CEP TOTOTO (Yent) Pilyers Emailso Sugar Fallso Alabono Brake Alamudal Food International Pinner Bine Selbu Rallway 847 808, 825 2400 3215

Gowings 61 Portland Lieux Printing 345¼ - 9¼ 162 - 9 42 - 5

COMPANIES & MARKETS

Food shares fall on BSN price war threat

By Guy de Jonquières, Consumer Industries Editor

SHARE prices of leading European food companies feli yesterday after Mr Antoine Rihoud, chairman of BSN, France's largest food manufacturer, said it was ready to cut prices to defend market share.

He said the company was operating "in an unprecedented economic crisis", while retailers were demanding larger discounts and providing stiffer competition with cheap private-label ranges.

Mr Riboud's remarks added to investors' recent fears that interinvestors' recent fears that international recession and the grow-

ing power of food retailers would

intensify price competition. His comments follow cautious

forecasts by other large food and consumer groups in the US and Europe, and what were widely considered disappointing firstquarter results from Unilever, the Anglo-Dutch manufacturer. Many hranded international

manufacturers of consumer prod-ucts have been jolted by last month's decision by Philip Morris to cut the US price of Marlboro Shares in BSN, which on Monday reported a 5.7 per cent drop in first-quarter sales, fell FFr11 to close at FFr863 yesterday. in London, Mr Riboud's comments

added to anxiety about the

impact of sterling's recent recovery on food groups with a large

international exposure.
Cadbury Schweppes fell 9p to
447p and United Biscuits by 9p to 412p, while Unilever fell 22p to 1036p in London and Fill.80 to Fl 193.20 in Amsterdam. In Zurich, however. Nestlé registered shares rose SFr15 to SFr1130.

Mr Riboud said BSN aimed to offset the impact on profit mar-gins of any price reductions by cutting costs. The company might also have to weed out weaker brands which were squeezed between market leaders and privete label products.

Analysts believe BSN is most vulnerable to price competition

in mineral water, of which it is the world's second-largest producer. Mineral water was the company's most profitable business in the late 1980s, but has recently suffered from a slowdown in demand.

"Whenever the prices of branded products get out of line with private label, and there is inadequate product innovation. companies are getting caught. And there is precions little product innovation in mineral water," said Mr David Lang of stockbrokers Henderson Crosthwaite.

Mr Riboud was positive about prospects in eastern Europe, China and Vietnam, where BSN planned to continue expanding.



Leading Japanese brokers report weak earnings but believe Tokyo stock price fall is over

Daiwa Securities posts first loss since 1964

By Robert Thomson in Tokyo

JAPAN'S leading brokers yesterday reported weak earnings, including the first pre-tax loss at Daiwa Securities since 1964, but confidently declared the three-year collapse of Tokyo stock prices was over.

The stock market recovery boosted commissions in the last weeks of the year ended March. Nomura Securities, the largest house, reported a pre-tax profit of Y2.4bn (\$21.5m), down 94.6 per cent, but managed to avoid the loss that had earlier Daiwa, the second largest house, had a

profit of Y9.3bn. while Yamaichi Securities announced another embarrassing loss, Y37.4bn, following a loss of Y36.5bn in 1991-92. The houses reported a fall in stock commissions and underwriting income, and all had valuation losses on their securities holdings.

Japan's 10 second-tier brokers all reported losses for the year, and a sign of the mounting pressure on their balance sheets was the resignation yesterday of 15 executives at Yamatane Securities, under reconstruction by Sakura Bank, a leading commercial bank. However, even Yama-

pre-tax loss of Y7.3hn, compared with a tane, which reported a loss of Y10.4bn, expects to return to profit this year due to a recovery in share trading volume. The hope is that the daily turnover of

shares on the Tokyo exchange can average at least 400m, compared with 282m last The broker with the best news was

Nikko Securities, which reported a profit of Y2.5bn, down 19.4 per cent, hnt topping Nomura. However, only Nomura reported a net

profit, turning in Y3.3hn after tax. The net loss of Y6.5hn at Nikko compared with Y25.9bn a year earlier.

Nikko's relative success followed a sharp increase in profits on bond dealing, which were Y28.2bn, up from Y1.2bn, and managed to reduce operating expenses by almost 18 per cent. During the past six months, listed brokers have reduced their offices from 3,150 to 3,000, and cut staff by about 5 per cent.

Daily turnover of shares in Tokyo was 662m last month, and brokers are confident that retail investors will return to the stock market in coming months, if only because a fall in interest rates has reduced their investment options.

BA launches £442m rights as profits fall



Colin Marshall: BA's financial performance was 'impressive'

By Paul Betts. Aerospace Correspondent

BRITISH AIRWAYS yesterday launched a £442m (\$680.68m) rights issue after announcing a drop in profits and a doubling in

Pre-tax profits calculated in accordance with the new FRS3 accounting standard fell 57 per cent to £185m for the year to March 31. Borrowings rose by £1.281bn to £2.453bn. The one-for-four rights issue is

priced at 245p a share, a 17.5 per cent discount to Monday's closing price. It will lower the compaper cent to around 100 per cent. In the last year BA has spent more than £600m on investments to strengthen its global presence including stakes in USAir, Qantas and the French regional carrier TAT, plus the assets of Dan Air, the former UK regional

is to take over the activities of UK-based Brymon Aviation. Sir Colin Marsbail, BA's

the industry. The future looked

BA's profits comparison was worsened by the restating of the previous year's profits in line with FRS3, to include the £149m gain that year from the sale of BA's engine overhaul business to General Electric of the US. Without that gain, pre-tax profits for the year to March 1992 were £285m. On that basis, last year's profits showed a 35 per cent drop

from the previous year. Group operating profits fell 9.9 £5.566bn, which was 6.5 per cent

higher than the year before.

The airline had an operating loss of £25m for the fourth quarter against a £25m profit a year ago, partly due to one-off items including higher staff severance costs and an operating loss by the former Dan Air airline. It has also announced it operations.

Group expenditures rose by 7.7 per cent to £5.256bn last year. Mr Robert Ayling, BA's new chairman, said the financial

performance last year was managing director, said the com-impressive" considering the tough trading conditions facing had made a significant contribution, producing more than £150m in savings last year.

BA carried 28.1m passengers last year, an increase of 10.5 per cent. The passenger load factor rose by 0.6 per cent to 70.8 per cent. The airline said it was increasing its capacity this sum-mer by 14 per cent and a further 3 per cent next year.

Sir Colin said there was beginning to be some improvement in first and husiness class high-yielding traffic. "Given the measures we are taking to increase ish Airways remains well positioned to take advantage of improved prospects for 1993 and

BA shares closed in London yesterday 9.5p higher at 306.5p. The total dividend for the year was 10.60p, a rise of 4.1 per cent. The company paid a second interim dividend of 7.54p a share

last month in place of a final

Honda gloomy after 32% profits fall

HONDA, the Japanese car mannfactnrer, yesterday announced a 32 per cent decline in pre-tax profits and warned that results for the current year were also likely to show a significant fall due to the difficult

trading environment. The sharp decline in Honda's profits reflects the persistent weakness in the Japanese car market, the slow recovery in the North American market and the impact of a strong rise in the value of the yen which depressed overseas revenue

Honda said that e sharp fall in car sales was largely responsible for a 5.9 per cent drop in consolidated revenues from Y4,391.9bn (\$39.7bn) to Y4,132.4bn in the

year to March 1993. Pre-tax profits fell to Y88.6bn from Y130.8bn while net profits declined 41 per cent to Y38.3bn

from Y64.9bn. In North America, a market which Honda depends on for over 40 per cent of sales, the company has faced intensified competition from both US and other manufacturers over the

Last year, Honda faced the disappointment of seeing its Accord model lose its title of best-selling

car to Ford's Taurus.

Meanwhile the yen's 6 per cent appreciation over the period had shaved off about Y70bn from revennes, Honda said,

In contrast to its car husiness. where revennes declined 9 per cent to Y3,280bn, Honda's motorcycle sales rose nearly 10 per cent to Y569.5bn, The upturn in the motorcycle

husiness, where operating profit of Y45.3bn almost matched oper-ating income of Y49.2hn from the car business, was supported by strong demand for motor-cycles in China and south-east Asia, Honda said. Demand in the Japanese market was still unpredictable with

a rise in car sales in March offset hy a downturn in April. Honda said. The recovery in the US market, meanwhile, is still very Honda expects the launch of new models leter this year to

spur demand for its cars.

However, the company expects continuing weakness in world markets. It predicts that the impact of the yen's appreciation and other "unpredictable fac-tors" will result in a further 3 per cent fall in revenues and a 40 per cent decline in net profits for the year to March 1994.

Weak markets contribute to SKr331m deficit at Volvo

By Christopher Brown-Humes in Stockholm

WEAK MARKETS and higher interest payments led to an increased loss after financial items of SKr331m (\$45m) for Volvo, the Swedish vehicle

group, in the first quarter. The result, which compares with a SKr248m loss in the same 1992 quarter, came after a drop in sales of cars and trucks, mainly because of lower demand in western Europe. Group debt was SKr7bn higher

at the end of the first quarter than a year ago, and interest expenses rose sharply to SKr388m from SKr123m. The group did not comment on

its prospects, but it noted that

cent and 30 per cent in the year. In the first three months sales rose 14 per cent to SKr22.95bn. although excluding currency factors and acquisitions they were 2 per cent lower.

The operating loss was much lower at SKr189m, against at 10,800 vehicles. SKr347m. Although this reflected a positive SKr250m impact from an

accounting change, operating losses in both the group's car and truck groups were down, in spite of lower sales volumes. Car sales rose 15 per cent in value terms to SKr12.63bn, due to

the weaker krona. However, sales dropped to 73,500 vehicles from 80,500. Volvo increased its share of the

cast to fall by between 25 per fared better. It increased sales and market share in the US, and strengthened its position in Japan, south-east Asia and

> Truck sales were 12 per cent higher at SKr8.34hn, although deliveries were down 8 per cent

In Europe, sales fell 39 per cent to 3,600 trucks, with a big drop in sales to Germany, France, the Netherlands and Sweden, US sales climbed 25 per cent to 4,900 units, although market share was

The group's share of profits from Swedish food and pharmaceutical group Procordia increased to SKr596m from SKr124m.

Income from Renault, with which Volvo has extensive crossshareholding links, fell to SKr236m from SKr387m.

weak Swedish market, hut lost west European car sales were share in the UK. expected to fall 10 per cent in In other markets, the gronn 1993, and truck sales were fore-Renault tumbles by 90%

By David Buchan in Paris

RENAULT, France'a state-owned car and truck group, yesterday announced that first-quarter profits had tumbled to only FFr240m (\$44m) from FFr2.35bn in the same period of last year. It saw no prospect of early recovery.

The company said turnover in the quarter fell by less than the general decline in the European market, with Renault's combined car and truck sales 8 per cent down on the first quarter of 1992, at FFr 43.9bn. However, Renault's first-quar-

ter results were dragged down by a FFr238m loss stemming from the group's 20 per cent stake in Volvo of Sweden, compared with the FFr180m loss it took in the first quarter of 1992. The only rays of light in an

tries outside Europe, compared with the same period of last year, and an increass of FFr45m in earnings from its financial service companies.

"With the economic climate for the second quarter apparently no more favourable, the prospects for an improvement in the European market are receding", the company said. First-quarter car sales fell by 8.6 per cent to FFr36.9bn, but sales in the overall European market fell by 17.2 per cent so that Renault held its market share. The eame trend occurred in trucks, Renault sales falling 13.4 per cent but the European truck market plunging by

26.6 per cent. The pessimism of the French car industry has been expressed at the 1992 level.

otherwise sombre picture were a by Mr Jacques Calvet, the head 3 per cent rise in exports to coun of Peugeot, who has seemed to lower his market projections every time he speaks. He did so again this week, to predict that the overall decline in European car sales this year would be more than 10 per cent, though like Renault, Peugeot-Citroen is hold-

ing its share of a falling market. According to persistent rumours emanating from Turin, Fiat and Renault are examining some form of link-up. These rumours have been denied by Renault and derided by Mr Calyet, who said "the idea of balancing Volvo with Flat is insane". To relieve pressure on their

companies, the French govern-

ment is urging the European Commission to make Japanese carmakers freeze sales to Europe

new name in capital

Devon Systems International Inc. has changed its name to SunGard Capital Markets Inc.

This new name more accurately reflects our worldwide pre-eminence in software for derivative financial instruments and the contribution of recent acquisitions in extending our leadership across systems for all capital markets activity.

As SunGard Capital Markets we shall also become more readily identified with our parent, SunGard Data Systems Inc., the world's only large specialised supplier of investment

development annually exceeds the turnover of any would-be Which is one reason why our systems continue to set the market standard. And why we now serve more clients than

SunGard's Investment in new product research and

any three competitors combined. Strength, service, innovation and excellence are SunGard They are also the foundations on which we shall continue to

prosper, alongside our clients, throughout the 1990s and SUNGARD

No.1 Worldwide

Frankfurt (69) 256 14-0 - London (71) 623 5986 New York (212) 371 1116 · Tokyo (3) 3239 2639 Auckland Chicago Copenhagen Hong Kong Madrid Milan Para Philadelphi Stockholm · Sydney · Vienna · Zurich

INTERNATIONAL COMPANIES AND FINANCE

Continental chief executive Incentive predicts return to black

By David Waller in Frankfurt

CONTINENTAL will make a profit again this year in spite of a "miserable" first two months, and may be able to pay its first dividend since 1990, the chief executive of the German tyre company said yesterday.

Speaking in Hanover, Mr Hubertus von Grünberg said that group sales in the first quarter dropped by 10.3 per cent to DM2.2bn (\$1.36bn). Profits fell by a similar amount, reflecting weak demand from carmakers and poor conditions in the market for replacement

Sales of tyres for passenger vehicles fell by 6 per cent in Europe and the US over the

Mr von Grünberg's cnm-

By Philip Rawstorne in London

ALLIED-LYDNS, the drinks.

fnod, and retailing group,

reported a £10m (\$15.4m)

increase in full-year pre-tax

profits to £620m, in line with

Spirits operations grew but

brerring profits were affected

by higher bad-debt provisions.

The sale of 550 pubs was

reflected in lower retailing

Dn a FRS3 basis profits

before tax for the year to

March 6 rose 15 per cent from

Mr Tony Hales, chief execu-

LONDON Weekend Tele-

visinn's parent company, LWT

(Holdings), yesterday paid

more than £14m (\$21.5m) in

cash to acquire WH Smith's 14

per cent stake in Yorkshire-

Tyne Tees Television Holdings,

another Channel 3 broadcaster.

market expectations.

By Paul Taylor

in Londan



Von Grünberg: optimistic in spite of 'miserable' two months

of DM128.2m in 1991.

Allied-Lyons surges to £620m

started encouragingly.

this year.

increased competitiveness.

tive, said the current year had

Lower interest rates and sterling's devaluation had

by over 12 per cent to £402m

and we expect further benefits

Trading profits of the spirits

and wine operations were 2.4

per cent ahead at £421m. Ship-

ments of Ballantine's scotch

whisky, the group's most

important brand, rose 7 per

cent, while the partnership

with Domecq achieved a 20 per

cent increase in sales in Spain. Courvoisier cognac increased

The deal highlights the grow-

ing number of equity stakes

independent television broad-

casters hold in each other.

Among these LWT also owns a

20 per cent stake in GMTV, the

breakfast television franchise

holder, as does Carlton Com-

munications and Scottish Tele-

vision. Carlton also has a 19.2

per cent stake in Central and

LWT buys stake in broadcaster

"Our exports grew last year

This implied a sharp deterioration in business conditions ments come shortly after Con-tinental announced that it as the group made DM118m made net profits of DM133m for profit in the first half of 1992

In spite of the profits recov-ery. Continental said it would be premature to pay a dividend

The chief executive said that this year's figures would be boosted by the fact that General Tire, the group's US sub-stdiary, would return to the hlack after several years of heavy losses. This would offset poor market conditions in

Business conditions had been "miserable" in January and February but had improved in March and April, Mr von Grünberg said, noting that the quarter had not turned out as badly as had once been feared.

The company is also planning to press ahead with further rationalisation and costcutting measures, including job cuts. Staff numbers were 50,581 at the end of last year, up from 49,877 at the end of

market share in the US, UK

and in Japan, where shipments

were 32 per cent up in a mar-ket that fell 7 per cent.

terday that it was buying Per-

rier-Jouet/Barton & Guestier

(PJBG), a French distribution

tine's, the leading premium

whisky in France, for 32 years

and will provide a base for dis-

tribution of other Allied

brands. The deal will raise the

group's control of its world-

wide distribution from 88 per

LWT pald 200p-a-share for

WH Smith's entire holding of

just over 7.03m ordinary shares

in Yorkshire and also agreed to

acquire the 1.97m warrants

held by the high street retailer

for 40p each. The total nur-

chase price for the shares and

in Meridian.

peration, from Seagram. PJBG has handled Ballan-

Allied also announced ves-

to sell US hydraulics **business**

By Christopher Brown-Humes

INCENTIVE, the Swedish industrial group dominated by the Wallenberg family, is selling its US hydraulies group, Hägglunds Denison Hydranlics, as part of an increased focus on core engineering operations.

The buyer is Denison International, a new company formed apecifically for the purchase by a group of Swedish, American and UK investors. Terms have not been

Hägglunds Denison Hydranlles is hased in Ohio, and has production units In the US, France and Ger-

It bas annual sales of around \$100m and 800 employees Incentive has sold six

companies, with annual revennes of \$400m, in the last f8 months to concentrate on its main engineering busi-

Winterthur to limit rights

WINTERTHUR, Switzerland's third largest insurance company, yesterday reported reduced profits for 1992 and announced plans to limit shareholder voting rights,

Agencies report. The company said it would limit all sbareholders or groupings to a maximum 5 per cent of total voting rights. It said the restriction would be laid down under a revision of its statutes. Winterthur could not say what limit had previonsly been set on voting

Net profits for last year fell 6 per cent to SFr247m (\$168m), compared to 1991. The dividend is being held at SF170 a sbare. Gross premlums improved by 6 per cent, rising SFr15.5bn, against SFt14 ,6bn.

Last November the company declared itself to be cantionsly optimistic for 1992.

Marks and Spencer ahead 25%

By Neil Buckley in London

MARKS and Spencer regained the title of the UK's most profitable retailer yesterday as it lifted its pre-tax profit 25 per cent to £736.5m (\$1.13bn).

The clothing and fond retailer knocked J. Sainsbury, the grocery chain which last week announced pre-tax profits of £732.8m. into second place. M&S said the improvement was due to a pick-up in consumer spending, increased efficiency, and the snecess of its

which involved lowering the prices of 25 per cent of its The shares, however, fell

"outstanding value" campaign.

worries about a pay settlement that will add 6 per cent to the

wage bill. Sir Richard Greenbury, chairman and chief executive, was characteristically blunt in his reaction to M&S regaining the title it first lost to Sainsbury last year, quoting the former manager of Liverpool football club, Mr Bill Shankly: "We never worry or concern ourselves with how the nther teams are playing. we are only interested in how we are performing.

Sir Richard said that there had been a significant turnaround in consumer spending. "We are very much on the

91/4p to 3451-2p on the London front foot as we see the constock exchange, apparently on sumers coming out of the trenches," he added.

Turnover for the year to March 31 increased 3.4 per cent to £5.9bn.

Pre-tax profits were £736.5m. on the basis of the UK's FRS3 accounting standard, up 25 per cent on last year's restated

Earnings per share increased to 18p from a restated 13.5p, while the total dividend was raised from 7.1p to 8.1p. Operating margins were boosted from 1L9 per cent to 12.5 per

In the UK and the Republic of Ireland, Sir Richard said that clothing sales had improved strongly, due partly and the company had increased volumes and market

He rejected claims that M&S had been "screwing" its manufacturers, insisting price reduc. tions had been achieved by lowering its own buying

margins. Food sales increased by about 5 per cent in the second half, with M&S retaining its overall market share.

The overseas performance was encouraging, with total sales up 8.5 per cent to £736.9m, and the devaluation of sterling helped operating profits increase 34.6 per cent to

Details, Page 27; Lex, Page 20

Astra warns of

Electrolux income falls by 20%

By Christopher Brown-Humes

ELECTROLUX, the Swedish white goods manufacturer, yesterday blamed a drop in European demand and high one-off costs in North America for a 20 per cent fall in first-quarter

Income after financial items fell to SKr202m (\$27.5m) from SKr253m, which was towards tbe lower end of stock-market expectations. Sales, benefiting from the weaker krona, advanced 23 per cent to SKr24bn from SKr19.5bn.

The group said the downturn in demand was particularly sharp in Sweden and Spain, while there was no upturn in the UK and Germany.

DEGUSSA, the German metals,

chemicals and drugs group.

yesterday unveiled a sharp

profits reversal in the early

Blaming the state of the

domestic and world economy

and recently-introduced health

reforms in Germany, Degussa

said that group pre-tax profits

in the six months to the end of

March dropped 27 per cent to

DM77m (\$47,8m). It predicted it

would not be able to make this

much profit in the second half.

By David Watter

months of the year.

While demand in North America continued to rise, one-SKr300m drop in income from

nff costs for product launches, production transfers and the recall of a dishwasher series

meant operating income fell. Dperating income after depreciation rose 4 per cent to SKr643m from SKr618m. The group said its competitive position was stronger, following restructuring and changes in currency rates, and operating income had risen in most countries apart from North America

and Spain. In both household appliances and commercial appliances. operating income was down. while there was an upturn in the group's other main divisions, outdoor products and

industrial products. The household appliance result was dragged down by a

The poor result follows a 14

per cent increase in profits in

the first three months of the

group's financial year, when

the figure rose to DM49m. This

means that from the first to

the second quarter of the year

Group turnover in the first

profits dropped by 57 per cent.

quarter rose 11 per cent to

DM6.9bn, although Degussa

said this was due to changes in

group structure and an

increase in metals trading

turnover. Without these spe-

clal factors, turnover would

have fallen by 1 per cent.

Degussa hit by health reforms

North America and Spain Electrolux blamed the situation in Spain on a weak market and an inflexible labour

market. Nevertheless, volumes rose in both Europe and the US in the household appliances sector, with sales rising to SKr13.15bn from SKr10.98bn.

Sales in the outdoor products division rose to SKr3.96bn from SKr2.74bn and in industrial products to SKr4.37bn from SKr3.49bn. Both units improved their operating result thanks to restructuring and an improving performance in

North America. Commercial appliances lifted sales to SKr2.29bn from SKr2.02bn but operating income fell because of weak market conditions.

Degussa blamed the change

in fortunes on the weakness of

domestic and world economies,

which hit all business areas

hut especially the group's

metal activities. The pharma-

ceutical division was hard hit

by German health service

reforms introduced in January.

oblige patients to pay more for

treatment and have led to what

Degussa called "substantial

losses in turnover and profits"

in its pharmaceutical activi-

ties, which account for 20 per

cent of turnover.

These were designed to

slower growth over the year

By Christopher Brown-Humes

ASTRA, the Swedish pharmaceuticals group, yesterday said pre-tax profit rose 63 per cent to SKr1.74bn (\$236.7m) in the first three months, but it warned that profit growth over the rest of the year would

The latest figure was at the top end of stock market expectations and compared with a profit of SKr1.06hn in the same 1992 period.

"Given the large revaluations during the fourth quarter of 1992, the profit development for the whole of 1993 will not reach the same rate as during the first quarter," the company stated.

Sales for the quarter rose 36 per cent to SKr5.02bn from SKr3.70hm, although excluding currency factors, the increase was 16 per cent.

The company said it had strong volume growth in many markets, particularly the UK and France. But sales in its most important market, Germany, fell 16 per cent because of what it called "political interference" in the country's

pharmaceutica industry.
Sales of Losec, the company's anti-peptic nlcer drug, rose to SKrl.5bn from SKr991m, although if sales through licensees are included, the figure rose to SKr2.64bn from SKr1.55bn.

Bayer products are all around you even if you don't see our trademark.

> The Bayer cross is a familiar sight to many people, especially on medicines. Yet Bayer products go into a whole range of everyday items on which our trademark doesn't appear. We are a leading chemicals and health care company, and our products are used in agriculture, the sports and leisure sector, construction, the home, transportation Our business activities are focussed on the

> markets of Europe, North America and Asia. We will continue to pursue our long-term corporate strategy despite the worldwide deterioration in the economic situation. High levels of both capital expenditure and research spending are creating fresh growth potential that will safeguard the future of the Bayer Group.

> > KEY DATA

1993 First quarter Group sales down 7.6 per cent to DM 10,340 million, income before income taxes down 21.2 per cent to

1992 Group sales DM 41,195 million, of which 78.7 per cent outside Germany.

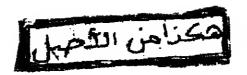
Group capital expenditures DM 2.859 million, research and development expenses DM 3,096 million. Group net income (after minority interests) OM 1,516 million. Dividend DM 11 per share of DM 50 par value. Payout of DM 723 million on capital stock of DM 3,287 million to some 375,000 stockholders.

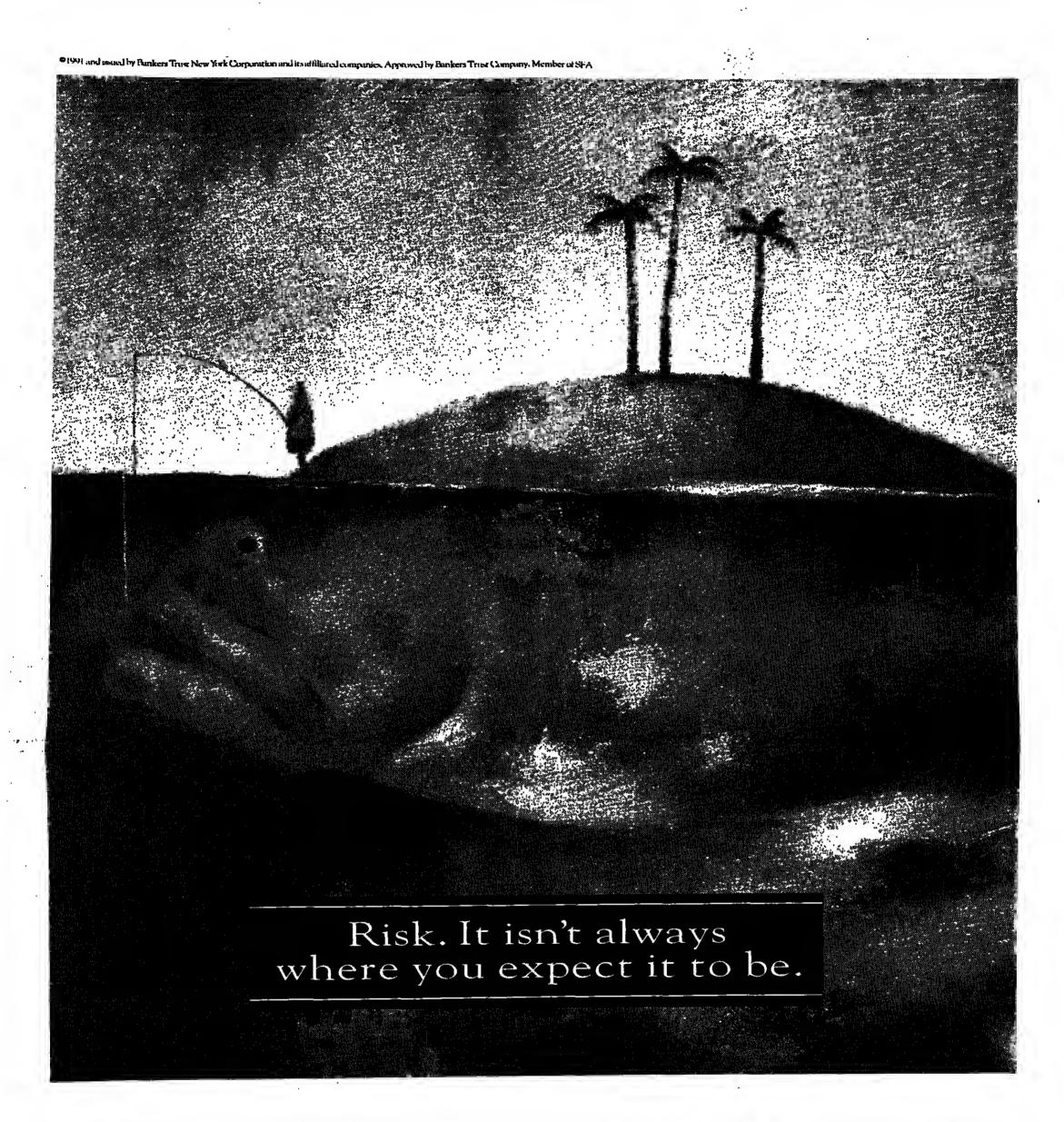
We would be happy to provide more information upon request. Please write to Bayer AG, Public Relations Department (KI), D-5090 Leverkusen, Germany.

Bayer Aktiengesellschaft Leverkusen



Expertise with Responsibility





Some risks are clearly visible. Others hide from sight.

The unexpected is the one thing you can always expect.

Suppose that overseas political upheaval thins out the flow of a raw material you can't do without.

That's a risk Bankers Trust can help you contain.

Or suppose a natural disaster cripples your payments system. Again, with our merchant banking help, that risk can be dealt with.

Like every financial institution, we trade,

arrange financing, close deals. But everything we do is done with an eye to helping you profit from risk.

Our greatest strength is putting all our skills to work at managing every kind of global risk.

Life can never be risk-free. Leadership isn't built on sure things. But with Bankers Trust behind you, you'll be leading from unparalleled strength.

Bankers Trust

Leading US store chains turn in contrasting results

By Nikki Tait In New York

CONTRASTING fortunes in the US retail sector were evident yesterday, when Dayton Hudson and J.C. Penney, two of the nation's largest store chains, unveiled first-quarter results.

J.C. Penney, the Texas-based department store group, enjoyed a fairly strong threemonth period to May 1. Total sales rose hy 4.5 per cent, to \$3.96hn, and with selling costs remaining static and interest charges falling slightly, net profits hefore extraordinary items and accounting-related items, stood at \$172m, compared with \$136m a year ear-

J.C. Penney said its gross margin fell from 34.1 per cent to 33.9 per cent, as a result of its lower pricing strategy. But selling, general and administrative expenses also fell, to 30 per cent of retail sales, against

31.5 per cent a year earlier. After extraordinary items and the accounting related changes, net profits reached \$206m. Earnings per share, on the same hasis, stood at 78 cents, against 52 ceots.

J.C. Penney shares edged %

higher to \$46 on the news. The company attributed the first-quarter results to its pricing strategies, and said that it was still looking to strengthen stock management and sup-plier relationships. Mr William Howell, chairman, also indicated that the group was exploring possibilities in the 'private brand" area.

Dayton Hndson, by contrast, saw after tax profits dip to \$30m in the same three-month period, after a one-off \$3m charge, compared with \$35m profits last time. Sales reached \$4.04hn, compared with

"We have been disappointed try our sales results since the

mented Mr Kenneth Macke, chairman. "Consumers are very cautious. Part of that is due to pervasive economic concerns, such as uncertainties ahout joh security, tax increases and the cost of health care reform."

He added that the problems had been particularly notice able at Mervyn's, the middlemarket department atore chain. Operating profits fell in this division due to lower thanexpected sales - in turn, blamed partly on insufficient promotional activity. Gross margins at the department store division, which takes in Marshall Field's, were flat.

However, the Target discount store chain, did record a small increase in operating profits, although gross margins were adversely affected by the continued "value pricing" strategy and weak seasonal

Mr Lewis Platt, president

Hewlett

Packard

estimates

in New York

By Jeremy Bennallack-Hart

HEWLETT-Packard, the US

computer and electronics man-

ufacturer, reported a 7 per

cent rise in second-quarter net

earnings yesterday, with

The results topped Wall Street analysts' estimates, and

hy early afternoon the shares

were up \$4% at \$84%, its 52-

week high. Net earnings for the quarter totalled \$347m. or

\$1.38 a share, compared with

\$323m, or \$1.27, in the same

Net revenue rose 22 per cent

to \$5.1bn. US revenue gained 24 per cent to \$2.2bn, while

revenue from outside the US

rose 20 per cent to \$2.9hn.

Orders advanced 28 per cent to

increasing sharply.

period last year.

tops market

of sales is likely to continue." The first-half results were encouraging, he said, adding that the company remained focused on managing operating expenses and getting products to markets quickly.

centage of net revenue was was in line with expectations

Operating expenses rose 6 per cent, with operating expenses as a percentage of net revenue falling to 30.3 per cent against 34.9 per cent. For the six-month period, net earnings dropped 3 per cent to \$608m, or \$2.41 a share. Last year's comparative figures were struck before a one-off after-tax charge of \$332m in relation to adoption of an accounting standard on retiree medical benefits.

First-half net revenne grew 20 per cent to \$9.7bn.

HK group behind Canadian merger ers in Westcoast, which was By Bernard Simon in Toronto spun off earlier this year by Westcoast Energy of Vancou-A GROUP of Hoog Kong

investors is to create a substantial Canadian oil and gas producer through the proposed merger of Numac Oil & Gas of Edmonton and Calgary-based Westcoast Petroleum.

The merged company, which will rank among Canada's top 20 energy companies, will be controlled by Mr Cheng Yn-Tung, chairman of New World Development of Hong Kong. and the family of Mr Y.P. Doo, whose Hong Kong interests include Fung Seng Diamond Company.

Mr Cheng currently owns 24 per cent of Westcoast and 25 per cent of Numac, while the Doo family holds 15 per cent of Numac and 24 per cent of Westcoast. Several other Hong Kong investors are sharehold-

Under a letter of intent between the two companies. Numac shareholders will receive one Westcoast common share for each Numac share. Westcoast, currently a private company, will have 50.6m shares outstanding prior to the transaction. Numac has 33.1m shares outstanding. The comhined company will operate under the Numac name and be publicly traded.

Mr Stewart McGregor, Numac's chief executive, declined vesterday to disclose the financial atrength of the new company heyond saying the combined cash flow in the first three months of this year was C325.2m (US\$19.7m). Numac's cash flow is expec-



and 24% of Westcoast

ted to grow rapidly over the next year as a result of its 3 per cent stake in the large Caroline gas deposit in Alberta. Mr McGregor said that a

flow will facilitate expansion He predicted that the company's international exposure

will grow over time". Mr Cheng and his partners appear to be taking a more gradual approach to their investment in the Canadian oil and gas industry than their compatriot Mr Li Ka-shing, whose acquisition of Husky Oil of Calgary has turned out to be

heavy financial hurden. Hutchison Whampoa, the conglomerate controlled by Mr Li, last year took a HK\$1.42bn write-down oo the Husky investment. Husky last month raised over C\$100m from the sale of various oil and gas properties in western Canada By midday yesterday Numac's share price had risen

by 37 cents to \$7% on the Toronto Stock Exchange.

Fluor Daniel buys Mexican stake

By Damian Frase in Mexico City

FLUOR Daniel, the US engineering and construction company, has agreed to huy 49 per cent of ICA Industrial, a subsidiary of Mexico's largest construction company Empresas ICA Sociedad Controladora

The subsidiary, with revenues of \$204m last year, and to be renamed ICA Fluor Daniel, will become "a single source for clients seeking high-quality, full-service eogineering and construction capabilities in Mexico and other Latin

company said.

The joint venture, which was proposed in November, is one of many recently signed between US and Mexican companies, where the US partner offers capital and technology, and the Mexican knowledge of the local market.

In this case, ICA Fluor Daniel will concentrate on industrial construction, offering services for consumer products, petrochemicals, power generation, and the car sector, among

The vecture is expected to

American countries", the US help ICA Industrial compete against Bufete industrial, its main Mexican rival thet has long had an association with Kellogg of the US. ICA and Fluor Daniel have already shown interest in constructing several Mexican electric power

> Empresas ICA reported revenues of \$1.8bn last year, most of which were gained from heavy construction for the public sector, ICA has won the lion's share of contracts in the government's amhitious toll-

plants that are now up for ten-

and chief executive, said: "We're pleased with the company's order strength, and our product programmes have never been more competitive. But we face a very mixed and uncertain economic environ-ment, as well as intense competition and rapid change in our markets. We also believe that upward pressure on cost

Cost of goods sold as a per-58.8 per cent in the quarter. compared with 53.6 per cent. The company said the increase

Mr Allaire said the fall reflected fundamental changes

MGM cuts first-quarter losses port of Crédit Lyonnais". They

METRO-Goldwyn-Mayer, the Hollywood studio taken over hy Crédit Lyonnais, its French bank creditor, has reported reduced first-quarter loss

Net losses were \$51.21m. against \$87.4m a year earlier, on lower revenues of \$196m compared with \$298.9m. The net losses include

extraordinary losses of \$9.83m on repurchases of debt during the quarter. As a result the company anticipates lower interest costs in future. Last year's first-quarter results included a one-off charge of \$33m related to changes in accounting for income tax. MGM said the latest results

By Jeremy Bennallack-Hart

MR PAUL ALLAIRE, chairman

of Xerox, has warned that sec-

ond-quarter earnings in the

company's core document pro-

cessing operations could drop

below the \$1.12-a share level

However, he said he still

expected full year earnings for

those operations to show an

posted a year ago.

increase on 1992.

reflected a fall in feature film revenues due to quarter-toquarter differences in the timing of theatrical releases and availability of products for home video and pay television markets. Revenues in the feature films and television programming operations dropped to \$149.2m from \$243.5m.

Theatre revenues fell to \$46.57m from \$55.37m, mainly due to currency fluctuations. MGM said theatre operations remained profitable and investment in multiplex theatres in Europe would continue.

Mr Alan Ladd and Mr Dennis Stanfill, co-chairmen, said the company had "accelerated MGM's development and productioo activities with the sup-

Xerox warns over core earnings

in the management of the com-

pany's document processing

business, the realignment of the US salesforce and contin-

ued weak economic conditions.

affected first-quarter results,

released last mooth, which

showed overall net income of

\$189ra, or \$1.77 a share, against

a loss of \$529m, or \$5.68, in the

same period last year when the

company took accounting

charges. Income from the docu-

ment processing business was

These factors had already

indicated, however, that thes increased activities would not be immediately reflected in the company's results, due to the long lead times for development and production of feature

Tele-Communications (TCI).

the largest operator of cable TV systems in the US, has announced a \$53,000 after-tax profit for the three months to end-March. The figure compares with an \$18,000 loss in the same period of 1992, writes Nikki Tait in New York.

Revenues rose from \$856m to \$1.02bn, and per-share earnings stood at 11 cents, up from a loss of five cents in the first

\$125m, or \$1.12, against \$103m,

or 91 cents. Revenues were

second quarter, "we expect

sales momentum to increase as

we realise the beoefits of the

His comments, in a confer-

ence with security analysts,

were made in view of the

planned offering of 6m shares,

announced in March, which

the company said would go

Mr Allaire said that after the

unchanged at \$3.3bn.

sales reorganisation".

ahead this summer.

Bombardier to issue new class of stock

By Robert Gibbens in Montrea

BOMBARDIER, the Canadian International aerospace and transit equipment maker 🐞 plans to raise funds later this year hy issuing a new class of convertible preferred stock.

Details will be made public after the creation of the new stock comes up for shareholder approval at the annual meeting in Montreal on June 22.

Mr Laurent Beaudoin, chairman, confirmed in Toronto that the dividend rate on the stock will be geared to Bombardier's common share dividend policy. An increase in common dividends will mean a higher preferred share payout, hut he refused to give further details.

Mr Beaudoin said the company plans the preferred issue partly to avoid further dilution of its common stock. Also, Bombardier shares have been depressed in the market by the company's C\$450m (US\$353m) claim against Trans-Manche Link to cover additional work on its C\$750m Channel Tunnel wagon contract.

He said Bombardier has already accounted for "an important portion" of the estimated losses on the con-

VIAG chief in pay-out pledge

By Ariene Genillard

MID-YEAR profits of VIAG, the German energy-hased conglomerate, are likely to fall below comparable figures a year ear-lier. Mr Alfred Pfeiffer, chairman, told the annual meeting.

annual dividend would remain unchanged at DM9 a share.

Payment of Dividend

Coupons should be lodged with:-

by an affidavit.

19th May, 1993

DM 50 nominal against presentation of Coupon No. 58.

from whom appropriate claim forms can be obtained.

or their agents with the appropriate form for such recovery.

Notice to the Holders of Warrants of

THE YOKOHAMA RUBBER COMPANY

LIMITED

(the "Company")

Issued in conjunction with

U.S. \$150,000,000

4½ per cent. Notes 1994

1993, the average of the closing prices of shares of the common stock of the Company on the Tokyo Stock Exchange for the five consecutive trading days up to

and including that date, multiplied by 1.025 and

rounded upward to the nearest one yen, was less than

the Subscription Price in effect on such day by not less

than one yen, and that, therefore, in accordance with

Condition 2(A) of the Terms and Conditions of the

Warrants (Downward Revision), the Subscription Price

of the captioned Warrants is to be revised as follows:

1. Subscription Price before revision: Yen 833.4

2. Subscription Price after revision: Yen 688.0

NOTICE IS HEREBY GIVEN that on 14th May,

per ceot to DM366m (\$227m) on ales 3 per cent up at DM24.3bn. He attributed the rise in turnover largely to the first time inclusion of sales from VIAG's one-third stake in the Kuhpe & Nagel shipping

and freight concern. Mr Pfeiffer said that Viag had an interest in huying a majority stake in Kühne & 25 per cent.

SCHERING

NOTICE IS HEREBY GIVEN to shareholders that Ioliowing a resolution passed at the Annual Ganeral Meeting ol shareholders held on 18th May, 1993 a Dividend for the year ended

31st December, 1992 will be paid, as from 19th May, 1993 at the rate of DM 13.00 per share of

S.G. WARBURG & CO. LTD.

All payments will be subject to a deduction of German Capital Yields Tax at 25%.

Coupons will be paid at the rate of exchange on the day of presentation.

Paying Agency.

2 Finsbury Avenue

London EC2M 2PA

United Kingdom Income Tax will be deducted at the rate of 5 % unless claims are accompanied

Net profits for 1992 fell by 9 Nagel but this depended on Mr Klaus-Michael Kühne, who owns the rest of the company. Profits for VIAG's aluminlum division suffered the most severe sethack, falling to DM78m, down from DM120m the previous year. Mr Rainer Grohe, a VIAG director, said it had cut production of aluminlum products in Germany hy

Schering Aktiengesellschaft Berlin

Schering Aktiengesellschaft

Yves Saint Laurent S.A. Elf Sanofi

HIMC MORTGAGE NOTES 4 PLC £150,000,000 Class A

and

Class B Mortgage Backed Floating Rate Notes due August 2021

Notes due August 2027
Notice is hereby given that for the Interest Period from May 17, 1993 to August 16, 1993 the Class A Notes and Class B Notes will carry interest rates of 6.32063% and 7.04063% respectively. The Interest payment date, August 16, 1993 for the Class A Notes will be 21,375.33 and for the Class B Notes will be 21,755.34 per 2100,000 normal amount.

By: The Chase Machatlan Back, N.A. Landon, Agest Bank May 19, 1993

PERSONAL

PUBLIC SPEAKING

Fraining and speech-writing by award winning speaker. First lesson free. Tel: (0727) 861133

German Capital Yields Tax deducted in excess of 15% is recoverable by United Kingdom residents. The Company's United Kingdom Paying Agent will, upon request, provida shareholders

NOTICE

to the holders of the outstanding FF 495,000,000 5% Equity Notes Due 2003 of

Yves Saint Laurent S.A.

Principal payable in ordinary shares of

Elf Sanofi

Notice is hereby given to the holders of the above Notes that, at the adjourned Meeting of such holders convened by the Notice of Adjourned Meeting published in the Financial Times and the Luxemburger Wort on 6 May 1993 and held at 3.00 p.m. (Paris time) on 14 May 1993, the Extraordinary Resolution set out in such Notice was duly passed. Accordingly, the modifications to the Terms and Conditions of such Notes and the Trust Deed constituting such Notes referred to in the Explanatory Memorandum referred to in such Notice have been made with effect from 18 May 1993 by means of a Third Supplemental Trust Deed of the same date.

Paying Agents Bankers Trust Company, 1 Appoid Street, Broadgate, London EC2A 2HE. Banque Internationale à Luxembourg S.A., 2 Boulevard Royal, L. 2963 Luxembourg.

Crédit Suisse, Paradeplatz 8, CH-8021 Zurich

Yves Saint Laurent S.A. is a societé anonyme incorporated under French law on

15 September 1961, expiring, unless extended, on 15 September 2060.
Registered Office: 5 avenue Marceau, 75116 Paris
Share Capital: FF 909,442,700 RCS number: Paris B 322 579 301

Notice of Redemption To the Holders of

Comerica Incorporated

NOTICE IS HEREBY GIVEN that pursuant to the provisions of the Indenture dated as of June 15, 1985 the "Indenture" between Comercial Incorporated (the "Company") and Bankers Trust Company, as Trustee, the Coupany has elected to redeem all of its outstanding Floating Rate Capital Notes due 1997 (the "Notes") on June 30, 1993 (the "Redemption Date") at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") plus interest accrued thereon to the Redemption Date.

principal amount thereof (the "Redemption Price") plus interest accrued thereon to the Redemption Date.

On the Redemption Date, the Redemption Price will become due and payable upon each Note to be redeemed and on and after said date the sole right of a holder of a Noto whall be to receive the Redemption Price plus accrued interest to the Redemption Date. Interest will case to accrue on the Redemption Date upon the teposit of the Redemption Price with the Trustee.

Payment of the Redemption Price in the case of Bearer Notes will be made on and after the Redemption Date upon presentation and surrender of the Notes to be redeemed together with all appurtenant coupons maturing on or subsequent to the Redemption Date upon presentation and surrender of the Notes to be redeemed together with all appurtenant coupons maturing on or subsequent to the Redemption Date, at the offices of any of the following Paying Agents:

Hankers Trust Company 1 Appold Street

Banque Internationale a Lincenbourg S.A. 2 Boulevard Royal L-2953 Linembourg Grand Duchy of Linembo

Credit Suisse Paradeplatz 8 8001 Zurich Switzerland

Banque Indosuez Belgique S.A. Place Sainte-Gadule 14 1000 Brussels Belgium

Accrued interest will be paid in the normal manner against the Coupon due for the June 30, 1993 interest payment date against presentation of such Coupon at any one of the above mentioned offices of the Paying Agents on or after June 30, 1983. Comerica Incorporated

Dated: May 19, 1993

The Royal Bank of Scotland Group pic

£200,000,000 PLOATING RATE NOTES 2005

In accordance with the Terms and Conditions of

the Notes, notice is hereby given that for the interest Period from 17th May 1993 to 17th August 1993. the Notes will bear a Rate of Interest of 6.1875% per annum. The amount of interest payable on 17th August 1993 will be £77.98 per £5,000 Note and £779.79 per £50,000 Note. AGENT BANK: CHARTERHOUSE BANK LIMITED A member of The Securities and Futures Authority

CHARTERHOUSE

REACH INTERNATIONAL MARKETS

List your Company name in the prestigious multilingual **EXIM INTERNATIONAL DIRECTORY** OF EXPORTERS/UMPORTERS - 1993-94 EDITION

for further

EXIM International, Inc. PO Box 2071, Rockville, MD 20847 USA Fax #(301) 816-0508

BANCA DI ROMA

BANCO DI ROMA

U.S. \$175,000,000 Floating Rate Depositary Receipts Due 1997 Putable in 1993/95 (the "Depositary Receipts")

issued by The Law Debenture Trust Corporation p.l.c. Ithe "Depositary

Issued by The Law Depenture Trust Corporation p.i.e. the "Depositary Trustee") evidencing entitlement to payment of principal and interest on deposits with Banca di Roma, London Branch.

Notice is hereby given to the holders of the Depositary Receipts that in accordance with Condition 4(b) of the Depositary Receipts the Bank will, at the option of the Depositary Trustee, redeem all or some of the Deposits to which the Deposits to a 2nd August 1982.

which the Receipts relate on 2nd August, 1993.

The Depositary Trustee, in the exercise of its option, shall act only in accordance with the instructions of the holder of the Receipt to which a Deposit relates. To give such instructions, a notice in the form obtainable from any Paying Agent, duly completed by the relevant Receiptholder, together with the Receipt which relates to that Deposit and all unmatured Coupons relating thereto, must be deposited by the relevant Receiptholder with a Paying Agent not more than 60 nor less than 30 days prior to 2nd August, 1993. No notice (or related Receipt) so deposited may be withdrawn without the prior consent of

Unmatured Coupons in respect of the period after 2nd August, 1963 relating to a deposited receipt shall become void and no payment shall be made in respect thereof. Where a Receipt is presented for payment without all unmatured Coupons relating to it, payment shall be orade only against the provision of such indemnity as the Bank may require.

Principal Paying Agent Morgan Guaranty Trust Company of New York 30 West Brondway

New York N. Y. 10015 Other Paying Agents

Morgan Guaranty Trust Company Morgan Guaranty Trust Company of New York 35 Avenue des Arts London EC4Y 0JP B-1040 Brussel

Banque Paribas Luxembourg 10A Boulevard Royal L-2093 Luxembourg

BANCA DI ROMA acting through its London Branch

ABTRUST ATLAS FUND Société d'investissement à capital variable stend Office: 13 me Goethe, L-1637 Lattemb R.C. Lutembourg B 27,229

ANNUAL GENERAL MEETING OF SHAREHOLDERS

of Abtrust Allas Fund will be held at its registered office at 13, rue Goethe, Luxembourg at 2 pm on Thursday 27 May 1993 for the purpose of considering and voting upon the following matters:

Acceptance of the Chairman's Review and Auditor's report and approval of the financial statements for the year ended 31 January 1993. Distribution of final dividend.

Discharge of the Board of Directors and Auditor. Ratification of the co-optation of a Director. Election and re-election of Directors.

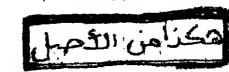
Re-election of Auditor.

Resolutions on the agenda of the annual general meeting will require no quorum and will be taken at the anjority of the votes expressed by the shareholden or represented at the meeting.

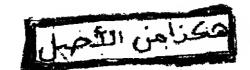
to order to ottend the meeting of 27 May 1993, the owners of bearer shares will to order to below the meaning of the clear days before the meeting at the registered

Voting Arrangements:

Shareholders who cannot attend the Meeting in person are invited to send a duly completed and signed proxy form to the registered office of the Company to arrive not later than 25 May 1993. Proxy forms will be sent to registered shareholders with a copy of this Notice and can also be obtained from the registered office.



Ef Sanofi is a société anonyme incorporated under French law on 10 September 1973, expiring, unless extanded, on 9 September 2072. Registered Office: 32-34, rue Marbeuf, 75008 Paris Share Capital: FF 2,207,414,100 RCS number: Paris 8 732 059 332 3 Effective date of revision: 31st May, 1993 (Japan THE YOKOHAMA RUBBER COMPANY, This notice, for which Yves Seint Laurent S.A. and Elf Sanofi are responsible, has been approved by Wessenstein Perella & Co. Limited, a member of The Securities and Futures Authority, solely for the purposes of section 57 of the Financial Services Act 1986 of the United Kingdom. LIMITED By IBJ Schroder Bank & Trust Company as Disbursement Agent Dated: 19th May, 1993.



INTERNATIONAL COMPANIES AND FINANCE

Japanese securities houses and companies turn in fresh batch of poor results

Time running out for country's brokers

Cost-cutting needs to go deeper, writes Robert Thomson

OR the past year, Yamatane Securities has squabbled with Sakura Bank over a restructuring that would wrest control from the broker's traditional family managers. It was appropriate that on the day the broker reported a Y10.4bn (\$93.69m) pre-tax loss, 15 of its executives announced their resignation. year ended in March.

merse.

The Yamatane case, and a batch of generally bad results yesterday from other mediumsized hrokers, suggests there is a limit to how much longer these compenies will be allowed to go on reporting losses by their supporting financial institutions, be they larger brokers or banks.

Although these brokers have already trimmed staff, reduced office space, and delayed spending on new computer systems, the size of the pre-tax losses suggests the cuts will have to be much deeper.

The cause of the problems at the mid-sized brokers, and of the pain et the Blg Four -Nomura, Daiwa, Nikko, and Yamaichi - is the rapid expansion of the domestic operations during the late 1980s, followed by a collapse of prices, turnover and new listings in the three years after the market peak of December 1989.

dent the Nikkei index, which hit 14,309.41 in August, down from 38,915.87 in late 1989, has recovered enough to keep it in the 20,000 range this year. That expectation has prompted all of the 14 largest brokers to forecast profits, including an ambitious Y60hn at Daiwa, which reported a Y7.3bn loss for the

The larger brokers point out that they don't have the badloen exposure of banks, although some houses do have a hidden exposure through the lending of their so-called nonbank financial company affili-

However, Nomura and the other leading brokers do have the advantage of a broader range of revenue sources than the smaller brokers, which are reliant on commissions for as much as 90 per cent of their income. The most notable second-tier exception is Kokusai Securities, which bas close links to Nomura, and last year reported Y13.2bn profit on its bond dealings, though it still

had a pre-tax loss of Y17.4bn. Nomura's own bond trading volume rose 5 per cent, and profits on bond dealings rose 36 per cent to Y30.5bn, while a rush of straight issues late last rely beavily for earnings.

Most of the brokers are confia 48 per cent increase in the amount of bonds underwritten and distributed.

"Thanks to the cuts in the official discount rate and the appreciation of the yen, bond prices rose and transaction volume increased, reversing the downward trend of the previous four years," Nomura said. The surge in stock prices

also meant the leading brokers

reported lower valuation losses

on their securities boldings

than foreseen when the market was languishing. Nomura's loss was Y12.1bn, Dalws's Y12.7bn, and Nikko's Y10.9hn. Yamaichi, which has now reported two successive years of buge losses, saw a 27 per cent fall in commission income. It did make a profit of Y12.3hn on its securities deal-

ings, against an embarrassing

loss of Y32.1bn in the previous

year, although deelings on stocks showed a Yl.9bn loss. Whila Yamaichi may be the most vulnerable of the Big Four houses, there are far deeper concerns about the health of medium-sized hrokers, which are struggling to keep market share and are yet to see a return of the individual investors, on whom they

Year to Mar 31 1993 Year to Mar 31 1992 Nomura Securities 195,835 135,897 Profit on securities dealings 29,320 14,366 Pre-tax profit 2,376 44,101 Net profit Daiwa Securities Commissions 143,958 180,801 Financial revenue 66,696 128,730 11,818 36,461 -7,268 Profit on securi 9,309 -43,514 Pre-tax profit Net profit Nikko Securitie 1\$7,309 173,107 Financial revenue 58,494 34,921 101,606 Profit on securities dealing 19,205 9,142 Net profit -25,865 Yamaichi Securities Commissions 126,270 Financial revenue 50,118 91,118 12,340 -37,360 Profit on securities dealing e-tex profit -36.514**Net Profit**

RESULTS OF BIG FOUR SECURITIES FIRMS (Ym)

Ms Alicia Ogawa, of Salomon Brothers, said the smaller brokers' profits were "more highly-geared to a recovery in votume on the exchange than the Big Four", but that their share of that turnover was "tenu-

The continuing flow of red ink at brokers such as Kankaku Securities (s pre-tax loss of Y51bn), and Wako Securities (a loss of Y22.5bn), raises the

question of whether their backing banks, Dai-Ichi Kangyo Bank and Industrial Bank of Japan respectively, will move to strengthen their control.

Only two of the 10 secondtier brokers, Tokyo Securities and Kokusai, announced dividends for the year, and all 10 houses reported sharply lower commissions and financial revenue, affected by the lowering

JVC dives to Y43.1bn loss and passes dividend

By Michiyo Nakamoto in Tokyo

JVC, the Jepanese manufacturer of audio-visual products which brought the world the VHS video tape, yesterday reported a sharp deterioration in its business results and passed its dividend for the first time since it became e

public company.

JVC reported e consolidated net loss of Y43.1bn (\$388m) as sales in its most important product areas fell sharply amid the world-wide slump in the consumer electronics industry and as the yen's appreciation adversely affected overseas revenues.

The result was a significant setback from the previous year, when JVC reported a consolidated net profit of

down 8 per cent to Y768.89bn, as consumers refrained from buying in key markets, which have become saturated

For the parent company alone, JVC reported a 15 per cent decline in sales, to Y513.16bn, and a pre-tax loss of Y26.13bn compared with a loss of Y2.13bn previously. The company's businesses suffered a

setback in both the domestic and overseas markets. In the domestic market, sales were down 1 per cent to Y260.2bn. Sales overseas, nearly half of turnover, declined sharply by 26 per cent, to Y252.96bn, as the company moved to

reduce stocks and as a result of the strong eppreciation of the yen. JVC has cut costs through reductions nesses, including factories. The company aims to reduce staff levels by 3,000 through natural wastage, curtailment of new recruitment and transfers of personnel to subsidiaries.

sales to Y540m in the year to March 1994 and s return to profitability during Olympus, the camera and precision

It forecasts a slight improvement in

instruments maker, reported a 72 per cent rise in consolidated pre-tax profits in the year to March 1993 but a 25 per cent decline in net profits to Y3.8bn due to extraordinary costs related to a patent infringement settlement, The increase came as consolidated

sales rose 3 per cent to Y267.7bn. Olympus was hit by a payment to settle e patent infringement dispute brought by Honeywell, the US company. For the parent company, Olympus reported a 10 per cent decline in pre-tax profits, to Y9.36bn, on sales down 1 per

cept to Y187.75hn. Although the company does not expect a substantial improvement in the business environment this year, it is forecasting a 23 per cent rise in pretax profits to Y11.5bn, and a 209 per cent increase in net profits to Y6bn on e non-consolidated basis as e result of restructuring.

· Clarion, the car audio manufacturer. reported a pre-tax loss of Y6.7bn on sales down 7 per cent to Y142,65bn. It passed its dividend.

The specialist audio maker was particularly hit by the downturn in the

in staff levels and restructuring of busi-Casio plunges 40% Chemicals producer falls heavily

By Robert Thomson

MITSUBISHI Kasei, leeding Jepanese chemicals maker, reported a 29.9 per cent fall in pre-tax profit, to Y9.3bn (\$83.78m), for the year ended in March. It blamed the loss on falling demand for industrial chemicals and the slowing of the economy.

Sales for the year fell 2.3 per cent to Y709.83bn, elthough the company continued to cals and electronic items.

benefit from the stronger yen, which will lead to relatively lower prices for imported

resources, but it is still concerned about the sluggish pace of the domestic economy and

three years in succession. Mitanother fall this year, with pre-tax profits expected at Y6bn, on slightly higher sales.

By Wayne Aponte in Tokyo

tax profit for the year ended in March. It blamed the decline on the rapid appreciation of the yen in recent months.

to Y326bn during the year. Sales of electronic musical CASIO Computer, the leading instruments declined by about 10 per cent, to 37.6bn, from the previous year, while sales of electronic calculators rose about 1 per cent to Y127.3bu.

the first section of the Tokyo Stock Exchange, lost Y10 to Y1,070 yesterday.

Japanese digital watchmaker, expand outside its traditional weak demand from core indusannounced e 39.6 per cent fall, lines and increased production trial customers. to Y11.5bn (\$103.60m), in pre-Profits have now fallen for of pharmaceuticals, biochemi-

By Our Beijing Staff JANSSEN Pharmaceutical of Belgium plans to double its manufacturing capacity in China over the next two to three years to meet rapidly increasing demand for western

medicine. Mr Jerry Norskog, head of Janssen's \$28m Xian joint venture, said the company would increase production to 2m packs annually as part of long term plans to improve the range and volume of its drugs. The move coincides with a

drive by foreign pharmaceutical companies to gain entry to the China market in the bight of new regulations that will

benefit local producers. "We bave successfully fulfilled our first phase of strat-egy," said Mr Norskog. "We will he shle to produce 2m packs of preparations a year when expansion is finished in two to three years. Our target is to supply the greater China market - not just the mainland, but also Taiwan and

Hong Kong.

Xian, south-west of Beijing, for e planned second plant. "There we could get more personal attention and government support, though it might lag behind the coastal areas in

Janssen is likely to pick

Belgian drug group to double Chinese output western medicine.

Xian Janssen Pharmaceutiinfrastructure." said Mr

Dr Paul Janssen, founder of Janssen Pharmsceutical, who has been visiting China, was due this week to sign a memorandum of understanding with the Nanting Medical College to support further research into an Aids cure. They are examining combining traditional Chi-

nese medicinal berbs with

cal is regarded as one of China's most successful joint ventures. Among its biggerselling products are Sibelium a palliative for migraine and dizziness, and Hismanal, an anti-histamine,

China has about 1,100 pharmaceutical plants with a turnover, in 1991, of 28.4bn yuan (\$5hn). Most produce bulk pharmaceuticals. China spends \$700m a year on imported

Telecom **NZ** suffers downturn

By Terry Hall in Weltington

HEAVY restructuring costs have led to a sharp fall in profits et Telecom Corporation of New Zealand.

The company, controlled by Bell Atlantic and Ameritech, has announced a profit of N2\$108m (US\$58.6m) for the financial year to March 31, in line with analysts' predictions, after absorbing a restructuring charge of NZ\$350m after tax. The restructuring includes laying off 5,500 staff by 1995.

Mr Peter Shirtcliffe, the

chairman, said earnings excluding abnormal restructuring costs . would bave been NZ\$458m, compared with

NZ\$444m in 1991-92. The chairman said the company was expecting another pleasing year, and intended continuing to increase its dividends to shareholders. The company increased its final dividend by one cent to 8.5 cents a share.

Siam Cement first-quarter profits almost halved the Bangkok Post, and just

By William Barnes in Bangkok

SIAM CEMENT, Thailand's leading industrial group, reported a 49 per cent fall in consolidated net profits for the first quarter of 1993 to Bt694.54m (\$27.51m). Sales of cement, approxi-

mately half the group's output, held up well but earnings were hit by fierce price competition, a sharp increase in capacity

of the high transport costs. First Asia Securities' analyst Colleen Duggan said the problems of the whole group - from

Raiffeisen Zentralbank Österreich

Aktiengesellschaft

RZB - Austria

U.S. \$100,000,000

Perpetual Floating Rate Subordinated Notes

For the six months 18th May, 1993 to 18th November, 1993 the Notes will carry an interest rate of 5%% per annum with a coupon amount of U.S. \$134.17 per U.S. \$5,000 Note, and U.S. \$1,341.67 per U.S. \$50,000 Note, payable on 18th November, 1993.

SAKURA FINANCE HONGKONG LIMITED

U.S. \$100,000,000

Guaranteed Floating Rate Notes due 1997

Guaranteed as to payment of principal and interest by

THE SAKURA BANK, LIMITED

For the three month period 18th May, 1993 to 18th August, 1993 the

and higher depreciation and interest charges. Mr Francis Middlehurst, an

analyst with Crosby Research said domestic demand for cement had increased hut export markets proved more difficult than expected because

building materials to car parts

to pulp and paper - mirrored that of the economy. "Siam Cement is practically

everywhere dealing with producers expanding in the midst of oversupply. This is depress-ing a lot of industrial earnings and almost the entire construction sector," sba said. First Asia recently halved its group net profits forecast for Siam Cement this year to Bt2bn. Post Publishing, publisher of

under 15 per cent owned by Mr Rupert Murdoch's News Corp, reported first-quarter net prof-its of Bt44.831m, down from Bt55.157m. Earnings were cut hy the one-off expense of moving into a new headquarters and the launch last summer of a Thai language paper, the Siam Post, which is not expected to generate profits until

Midland Bank pic

£250,000,000 Subordinated Floating Rate Notes 2001 For the three months from May 18, 1993 to August 16, 1993 the Notes will carry an interest rate of 6.225% p.s. On August 12, 1993 interest of £78.45 will be due per £5,000 Note and £784.52 in respect of £50,000 Note for Coupon No. 29.

Bankers arus.
Company, London

Agent Bank



Citibank, N.A. (Issuer Services),

St.George

U.S. \$75,000,000

Floating Rate Notes due 2000

Notice is hereby given that for the Interest Period 18th May, 1993 to 18th August, 1993 the Notes will carry a Rate of Interest of 3.7% per

annum. The Interest Amounts payable will be U.S. \$94.56 per U.S. \$10,000 Note and U.S. \$945.56 per U.S. \$100,000 Note. The Interest Payment Date will be 18th August, 1993.

A.C.N. 055 513 070

pal amount of Notes payable on August 19, 1993. Bank of America NT & SA. London – Agent Bank

Mortgage Intermediary Note Issuer (No.1) Amsterdam B.V.

Agent Bank

18th May, 1993 to 18th August, 1993 the Notes will bear interest at the rate of 6.5 per cent. per armum. unt per (25,000 Note will be £409.59 payable on . 18th August, 1993

SGS Société Générale de Surveillance Holding S.A.

8, rue des Alpes - 1211 Genève 1

NOTICE IS HEREBY GIVEN THAT THE

ANNUAL GENERAL MEETING

of the above Compay will be held on Wednesday 9th June 1993, at 3 p.m., at the Noge-Hilton Hotel, Salle Bailroom (mazzanine), 19, quai du Mont-Blanc, Geneva. The doors will open at 2 p.m.

Access will be permitted to bearer shareholders, upon presentation of an admission card, which will be

exchanged for a voting card, at the antrance before 2.45 p.m.;

to registered shareholders, upon placing, before 2.45 p.m. at the entrance, an admission demand which will be exchanged for a voting card. The doors will close at 3 p.m. precisely.

Presentation of the Annual Raport and Statement of Accounts for the year anded 31st December 1992.

Auditors' Report

Appropriation of profits. Decharge- of members of the Board of Directors. Election of Auditors.

Amendment of Statutes

ANNUAL REPORT - AUDITORS' REPORT

The Annual Report and the Auditore' Report will be available for inspection at the head office of the Company, from 19th May 1993. Each shareholdar may request that a copy of thesa documents be sent to him, registared shareholders appearing on the register of sharas as at 12th May 1993 will receive a copy of these documents with the Notice of Meeting.

REGISTERED SHAREHOLDERS

Registered shareholders appearing on the register of shares as at 12th Mey 1993 will receive, directly, a Notice of the Meeting. During the period 20th May 1993 to 9th June 1993 no registration in respect of registered shares will be entered on the register of shares. Shareholders in respect of whom a registration would have been made during the period 12th May 1993 to 20th May 1993 will receive the Notice of Meeting at e leter date. Registared shareholdars who will have sold their registered shares prior to the Meeting will not have voting rights in respect of those shares.

BEARER SHAREHOLDERS

The holders of bearer shares wishing to participate or be represented at the Meeting may obtain an admisson card either by depositing their share certificates at the haad office of the Company, or by sending to the Company a statement of daposit and holding duly executed by their bank of deposit. The daposit of share cartificates and collection of an admission card may be made on any business day, until 4th Juna 1993 at the latest, at the head office of the Company between 9.30 e.m. and 11.30 e.m. or otherwise by arrangament (Telephone 41-22/739.95.51, Share Registry). No admission cards will be available at the entrance of the Meeting. The shares deposited may by collected from the

day following tha Meeting. REPRESENTATION

Shareholdars not wishing to take part in the Meeting may be represented by another shareholder (in accordance with the provisions of the Statutes, registared shareholders may only be represented by another registered shareholdar in possession of a written proxy) or by their bank of deposit. They may also be represented by e representative of the Company or, alternatively, designate Mr. Claude Barbey, an independent person pursuant to Article 689c CO, to represent them at the Meeting; in such instance, we would ask that shareholders address their edmission card request and proxy form or, in the case of bearer sharaholders, thair admission card, at the head office of tha Company

which will deliver these to the designated representative. Deposit representatives within the meaning of Article 689d CO, are requested to inform the Company as soon as possible, and in any event not later than 9th June 1993 at the entry roster of the Meeting, of the number, nature and nominal value of the shares they represent. Institutions subject to the Federal law on banks and savings institutions of 8th November 1934 as well as professional portfolio managers are considered as deposit

MINUTES OF THE MEETING From the 17th June 1993, the resolutions of tha Meeting will be available for inspection by shareholders at the head office of the Company.

The Notice of Annual General Meeting, together with all proposals of the Board of Directors is published in the Swiss Federal Trade Gazette, the official publication body for the Company, on the 19th May 1993.

Geneve, 19th May, 1993

On behalf of the Board of Directors Elisabeth SALINA-AMORINI



NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given to tha shareholders of Nokia Corporation (the 'Company') of an Extraordinary General Meeting ('EGM') to be held on Thursday, 10th June, 1993 at 3.00 p.m. et The Marina Congress Centre, Katalanokanlaitun 6, Halsinki, Finland.

On the agenda for the meeting will be a proposal by the Board of Directors for the EGM to granf the Board of Directors e general authority, valid for a period of one year from the date of the EGM, to increase the share capital of the Company, in one or more instalments, by a maximum amount of FtM 160,000,000 by issuing a maximum number of 8,000,000 new common shares and new preferred shares or only new preferred shares on such terms as may be epproved by the Board of Directors.

The Board of Directors also proposes that the general authority includes the right to disapply existing shareholders' preferential rights to subscribe for tha shares to be issued where required for significant financial reasons from the Company's viewpoint. Such reasons include, among others, tha raising of funds from the international capital markets or the financing of acquisitions or other measures taken for the development of the Company's business. Additionally, it is proposed that the authorization should also include permission for the shares to be subscribed for property given as subscription in kind.

Details of the proposal described above and the documents mentioned in chapter 4. paragraph 4 of tha Finnish Companies Act will be on display from 3rd June, 1993 at the Company'a Head Office at Eteläesplanadi 12, Helsinki, Finland. Copies of the proposal in Finnish, Swedish and English and of the aforementioned documents in Finnish and Swedish will be sent to shareholders upon request.

Shareholders who wish to exercise their voting rights at tha EGM must give notice to the Company of their intention to attend no later then 4.00p.m. on 7th June, 1993. Notice may be given to the Shareholders' Registrar in person at the Company's Office at Heikkilantie 7A. Helsinki, Finland, during office hours, or by telaphone on +358 (0) 1807390, or in writing to the Shareholders' Registrar, Nokia Corporation, P.O. Box 117, FIN-00211. Helsinki, Finland, Written notice should be recieved no leter than 7th June, 1993.

Helsinki, May 1993 **Board of Directors of Nokia Corporation**

CITICORPO

U.S. \$200,000,000 Floating Rate Notes Due May, 1994 Notice is hereby given that the Rate of Interest has been fixed at 4% and that the interest payable on the relevant Interest Payment Date August 19, 1993 against Coupon No. 5 in respect of US\$50,000 nominal of the Notes will be US\$511.11 and in respect of US\$250,000 nominal of the Notes will be US\$515.56.54

nominal of the Notes will be US\$2,555.56. By: Cifibank, N.A. (Issuer Services), Agent Bank CITIBANC Sumitomo Chemical Nederland B.V. U.S. \$20,000,000 Floating Rate Notes Due 1994

3.55% per ennots From 17th May, 1993 To 16th November, 19

The Samilomo Treat & Banking Co., Ltd. Agent Bank

Bankers Trust Company, London

Bankers Trust
Company, London

Notes will carry an interest rate of 35% per annum with a cutpon amount of U.S. \$89.44 per U.S. \$10,000 Note and U.S. \$2,236.tt per U.S. \$250,000 Note, payable on t8th August, 1993.

Agent Bank

OBITUARY GALLACHER, - Chalfont 21 Giles

Buckinghamshire May 15th, 1993 (Peacetully): Cheries, beloved husband of Pauline, não Fitzsimona: tather of Brian Peter, Yvonne, Charles, David, Andrew, Daniel, And and Matthew. Greatly loved by gil his family, deuglaters in law, son in taw and grand-children. Removal Thursday 20th May et 7.00p.m. from Oublin Airport to Founds Church, enriving at 8.30p.m. Massi of the Resurrection at 11.30p.m. on Friday 21st May. Funeral attenwards to

BankAmerica Corporation US\$500,000,000 Floating Rate Notes Due February 1997

For the period from May 19, 1993 to August 19, 1993 the Notes will carry an interest rate of 3.625% per annum with an interest amount of US \$463.19 per US \$50,000 princiFor the three month period trans

Morgan Grenfell & Co. Limited .igent Bank

Finnish forestry

sector boosted

by devaluation

Good reception for details of next gilt auction

By Jane Fuller in London and Patrick Harverson in New York

THE BANK of England's announcement that the next gilt auction would be of £3bn 7% per cent stock due 2006 lifted the UK government hond

market at the end of the day. The good reception was attributed to the size of the auction - at the hottom end of expectations - and to the comparatively low coupon.

A coupon below 8 per cent was taken as a sign of the

GOVERNMENT BONDS

bank's confidence in a lower inflatioo outlook. It also meant the gilt would be priced below par, building in a capital gain. The futures contract benefited most, gaining about 1/4 points. In the cash market the auction area and beyond showed small gains.

■ DISAPPOINTMENT that the Bundesbank left the repo rate unchanged at 7.60 per cent caused a sell-off in the German The immobility cast a fur-

Growth phase

By David Waller in Frankfurt

THE PHASE of "stormy growth" in the German com-

mercial paper market is over.

the Bundesbank says in its

The German CP market was

established in February 1991,

much later than in other coun-

tries. It grew rapidly and within 18 months had become

the fourth largest such market

But the report says that with

the decline in the German

economy, demand for short-term funds has fallen

sharply. Also, long-term inter-

est rates have fallen, making it

more attractive to borrow at

the long end of the yield curve.

CP market was DM37bn at the

end of last year, more than

double the level at the end of 1991. But in April this year the

utilisation of such programmes

stood at 45 per cent, down from

a peak of 60 per cent

The volume of the German

German CP

May monthly report.

ln Europe.

over for

ther pall over hopes that it would cut the Lombard or discount rates at its council meet. ing today, although a few were still looking for a ¼ reduction. Once the June futures contract fell through 94.45, further

sales were triggered. The day's low was 94.26, from which there was some recovery. Expectations of a Yes vote in Denmark also acted as a drag on bunds, which are seen as losing more of their safe haven status. A Yes vote would give another push to the conver-

gence story, activating further switches to higher yielders. The yield spread of 10-year Danish government bonds over bunds would be expected to narrow significantly from yesterday's 71 basis points.

French government bonds have continued to benefit from this theme, with the bund-OAT yield spread coming in to as little as 29 basis points.

■ THE ITALIAN government bond market, already attract-ing demand as a high yielder, rose further on the news that withholding tax would be refunded much more quickly

	May 18	Nay 17	Nizy 14	May 13	May 12	Year ago	High •	Low
BoytSecs (IBC) Fixed Interest	94,56 118,93	94,63 110,87	94.71 110.92	94.85 110.99	94.92 110.96	89.21 104.74	96.04 113.83	93.26 108.5
Basis 100: Gover	INDEX Sec	arties 15/1	9/25: Pac	d interest 1	925.			
1 for 1989. Gove	enment Se	curities No	n aince co	orollador:	127.40 (9/1	735), low 4	19 (1/1	775)
Basis 100: Gover 1 for 1993. Gove Pound Interest hig	enment Se	curities hig implication: 1	13.63 (5/3	mplaten: /Kij, low 5	127.40 (9/1		19 (S/I	75)
1 for 1989. Gove	enment Se	curities hig implication: 1	13.63 (5/3	mplator: /kij, low 5 ED A	127.40 (9/1 0.53 (8/1/7)			775) Skay 11
for 1983. Gove Posed Interest hig	mment Se h since co	CHLT	EDG	mplator: /ki), low 5 ED Al 14	127.40 (9/1 0.53 (3/1/7)	Y	2	

The 121/2 per cent tax, which has taken six months to reclaim, has proved a deterrent to overseas investors. A new target of only two to three weeks was announced by the government, which needs overseas investors to finance the public sector deficit. It also announced spending cuts designed to counteract a looming overshoot on that deficit.

basis points to close near its all time high of 99.56. ■ THE JAPANESE govern-ment bond market took fright at a newspaper report that short-term interest retes might

The BTP future gained 80

curve continued to flatten as longer-dated securities posted fresh declines while the short end held its ground. rise, exacerbating its concerns about economic recovery.

By midday the benchmark 30-year government bond was down % at 101 g, yielding 6.983

tract fell through a key sup-

port level, opening at 106.44

and closing at 106.11. In the

cash market the yield oo the benchmark No 145 rose from

4.575 per cent to 4.67 per cent.

Once again there was a lack of

Other niggling factors were a rise in the overnight money

rate to 34 per cent, the weak

ening of the yen against the dollar and declines in overseas

■ THE US Treasury yield

government bond markets.

domestic demand.

		Coupon	Red	Price	Change.	Yield	Week	Monti
ALISTRAL	4	9,500	08/03	113.0075	-0.844	7,64	7,52	7.4
BET GIUM		6,000	03/03	110,7500	-	7.42	7.45	7.8
CANADA		7.250	06/03	96,7000	-0.060	7.73	7.53	7.3
DENMAR		8,000	05/03	103.2750	-0.100	7.52	7.89	7.6
FRANCE	ETAN	8.000	05/98	108.8400	+0.261	6.58 7.11	6.74 7.22	6.8 7.0
GERMAN		6.75	04/03	99.5200	-0.255	6.81	6.77	8.5
ITALY		11.500	03/03	97.2100	+0.565	12.22†	12.63	13.1
JAPAN	No 145	4,800 5.500	08/99	101,8962 105,1937	-0.680 -0.790	4.57 4.57	4.36 4.51	42 42
METHERL	WIDS	7.000	02/03	1024700	-0.080	6.64	6.65	6.5
SPAIN		10.300	06/02	95,3389	+0.002	11.13	11.02	11.4
UK GALTS	*	7.250 8.000 9.000	03/98 08/03 10/08	100-12 99-06 104-00	-3/32 -3/32 -4/32	7.15 6.12 8.53	7.11 8.08 8.47	7.0 7.6 8.2
US TREAS	SURY "	8.250 7.125	02/03	101-09 101-24	-11/32 -15/32	6.07 6.98	5.89 6.82	5.8 6.7
ECU (Fren	ch Govti	6,000	04/03	103,7000	+0.120	7.46	7.71	7.5

BENCHMARK GOVERNMENT BONDS

per cent. At the short end of the market, the two-year note was unchanged at 99 to yield 4.009 per cent.

The day's only economic news - a 6.7 per cent increase in monthly housing starts was largely ignored. Prices at the long end eased, however, because dealers' attention was focused on the Federal

Market Committee meeting. Recent news on inflation has heightened speculation that the FOMC might decide to shift the bias of policy towards a tightening. Although this would not necessarily involve a hike in interest rates, it would make it more likely that they would go up, rather than stay steady or be lowered, over

Prices U.S. LIK in 32nds, others in decima

The group says that it wants to exploit increased international demand for its shares at

INTERNATIONAL EQUITY ISSUES

By Christopher Brown-Humes

THE DEVALUATION of the

Finnish markka has sparked

international investor interest

in Finnish stocks, prompting

several issues in the forestry

leading forestry groups, plans to raise around \$100m through

Tracy Corrigan in London

in Stockholm and

time when its financial performance is improving and its shares have risen strongly.
The group's B shares have risen by 72 per cent this year

Meanwhile, Repola, another Finnish timber company which is 20 per cent owned by Metsä-Seria, has priced its interna-tional share offering at FM66.25 per share, approxi-mately FM1 below Monday's

closing price. The offering was increased from 6m shares to 7m shares. SG Warburg, the lead underwriter, has the option to increase the size by a further lm shares.

The size and price of the Metsä-Seria offering will be set according to market conditions after the June 9 publication of the group's financial figures

for the first four months. These are expected to show that the group has returned to profit, confirming the forecast it gave when it announced a 1992 loss of FM290m.

The issue is mainly being targeted at the US, UK, Swedish and central Europe markets, where demand for the group's shares has increased since Finland relaxed restrictions on foreign share ownership at the start of the year. Metsä-Seria, along with other

Finnish forestry groups, has

tiveness restored by the heavy depreciation of the markka since November 1991 and has also benefited from significant Rent hosti Secul

restructuring.
Mr Timo Poranen, chief executive, said: "Our main target with this issue is to reduce our sector.

Metsä-Serla, one of Finland's nlans gearing, but we also want to continue our focus on high value added production." A specific plan is to convert

the group's Kirkniemi mill to

a direct offering of B shares to international investors. The 100 per cent production of coated magazine paper. proceeds will be used to reduce Kleinwort Benson is the

the group's debt and to expand global co-ordinator of the offering, while Kansallis-Osake-Pankki has been appointed as co-lead manager.
This is the second interna-

tional share issue to be announced by a leading Finnish group in the last few days. Last weektelecommunica tions group Nokia announced that it was making a \$100m offer. It confirms a growing sense of confidence among the country's leading exporters.

 Banco Santander, the Span-ish commercial bank, said yes-terday that it was launching a \$195m share offer in the US. AP-DJ reports.

The offer, which is Santander's fourth US share tender since its first in September 1991, will bring to \$750m the amount of capital it has raised on the New York Stock Exchange, the bank said.

"The funds obtained will reinforce Santander's broad capital base, raising its capital adequacy ratio to 13.57 per cent, the highest of the big Spanish banks," Santander

The preferential shares carry subscription but not voting rights and a maximum dividend of 8 per cent, the bank

• Chia-Hsin Cement, the third largest cement company in Taiwan, has priced its offering of global depositary receipts at \$16.90, a premium of 3 per cent over a five-day average. Each global depositary receipt is based on 10 ordinary shares. The offering was arranged by Jardine Fleming.

10.50 10.30 10.21

The September futures con-Toyota Motor priced to ensure strong demand

By Tracy Corrigan

TOYOTA MOTOR Finance's \$250m three-year deal, arranged by Credit Suisse First Boston, was priced attractively, to ensure strong demand, according to dealers,

The pricing of the deal was said to have been influenced by the poor performance of General Electric Capital Corporation's \$200m three-year deal,

INTERNATIONAL BONDS

which was launched at 16 basis points over the comparable US Treasury yield last week. This level was considered too

By comparison, the Toyota Motor Finance deal appeared attractively priced at 33 basis points over the three-year US

aggressive. Yesterday, the deal traded as wide as 23 basis points, according to several

Although Toyota would typi-

cally need to be priced at a wider spread than GECC, even though both have triple-A ratings, the 10 basis point differential favoured the Toyota deal, according to traders.

By the end of the day, the Toyota spread had tightened hy a basis point or two. In the floating rate note market, Credito Italiano launched

a \$75m issue, increased to \$100m, using the popular collared structure, incorporating minimum and maximum cou-The minimum coupon of 6 per cent, the highest seen on a collared floater, encouraged strong retail demand, even

though the debt is subordi-

 Two UK building societies, the Natlonwide and the National & Provincial, had their AA3 rated long-term deht placed under review for possi-ble downgrade by Moody's yesterday. A downgrade would take both borrower's debt Somover US DOLLARS
Toyots Motor Finance(Neths) Chuga Pharmacsutical Co.ta)th National Bank of Hungary Credito Italiano, Hong Kongt Niasho Iwai Europa 99.79R 100 99.5R 99.75R 0.1875R 2.25 1R 0.5R +33 (4% to 95) CSFB Normal Internation +2755 156-95) Backers Trust Ind. 250 220 150 100 75 Jun. 1996 Jun. 1997 Jun. 1998 Jun. 2003 4.75 1,725 8 (b) CANADIAN DOLLARS Bayerische Hypobank 7.375 ITALIAN LIRA European Investment Banium: 100ba 100.05 Mar. 1996 0.75 Sar, Paole, Turn PESETAS KMV Intl. Finance(e) 10.35 Jun. 1958 1.525 Banco Cercral Hispano SWISS FRANCS Sagami Chain Co.(1)+ \$ 100 Final terms and non-callable unless stated. The yield spread lover relevant government bond) at launch is supplied by the lead manager. #Private placement, \$\psi \text{With equaly werrants.} (Pleating rate note, R; foed re-offer price; these are shown at the re-offer level, a) Final terms fixed on 25/5/30, b) Coupon pays 6-month Liber - 0.125%; minimum \$\text{6}\text{a}, \text{maximum 10%, c) Fees undicalcated, d) Coupon pays 6-month Liber - 0.125%; minimum \$\text{6}\text{a}, \text{maximum 10%, c) Fees undicalcated, d) Coupon pays 3-month Liber - 0.25%; minimum \$\text{6}\text{a}, \text{maximum 10%, c) Fees undicalcated, d) Coupon pays 3-month Liber - 0.25%; minimum \$\text{6}\text{a}, \text{maximum 10%, c) Fees undicalcated, d) Coupon pays 3-month Liber - 0.125%; minimum \$\text{6}\text{a}, \text{maximum 10%, c) Fees undicalcated, d) Coupon pays 6-month Liber - 0.125%; minimum \$\text{6}\text{a}, \text{maximum 10%, c) Fees undicalcated, d) Coupon pays 6-month Liber - 0.125%; minimum \$\text{6}\text{minimum 10%, c) Fees undicalcated, d) Coupon pays 6-month Liber - 0.125%; minimum \$\text{6}\text{minimum 10%, c) Fees undicalcated, d) Coupon pays 6-month Liber - 0.125%; minimum \$\text{6}\text{minimum 10%, c) Fees undicalcated, d) Coupon pays 6-month Liber - 0.125%; minimum \$\text{6}\text{minimum 10%, c) Fees undicalcated, d) Coupon pays 6-month Liber - 0.125%; minimum \$\text{6}\text{minimum 10%, c) Fees undicalcated at \$\text{minimum 10%, c) Fees undicalcate

NEW INTERNATIONAL BOND ISSUES

applied by a number of investfinance director, said the build- had its debt placed under ing society has no requirement ment managers, and could increase their funding costs. to access the medium-term

Moody's cited concerns about asset quality and core market this year, and will concentrate on the short-term earnings in tha current commarket Mr Richard Lassen, treasury director of Nationwide, which petitive environment. Mr Alastair Lyons, N&P's

review lat year, but was not downgraded, said that the society will be a net repayer of debt this year.

Both had their Prime-1 commercial paper ratings con-firmed.

MARKET STATISTICS

	FT/IS	MA	INT	RN	ATIC	ONAL BOND SERVICE		R	ISES A	ND FAI
Lated are the latest enomational box	ds for what	ti trere	d 20 3d	quato	second	ary market	Latest prices at 6:55 pm on May 18		-	
U.S. DOLLAR STRAUGHTS ARM 19 9 4 Albortofrownes 9 % 95 Austras 81 70 Bank of 1okyo 9 % 96 Bethoun 9 % 98 British 62 0 21 Canada 9 06 CCE 9 % 96	100 250 150 150 1500 1600	1055 11036 11036 11634 11634 10036 10036 11036 11034 9934	108% 117% 108% 105% 1113% 108%	4 4 44 4	Tield 4.20 4.75 9.07 5.24 5.76 5.32 3.96 6.29 4.71 4.26 9.42	OTHER STRAIGHTS Arbord 712 95 LF7 CCSC 714 94 LF7 World Blank 5 00 LF7 Blank 1007 NeO Germ 775 02 F1 Energie Betreer 914 96 F1 Energie Betreer 914 95 F1 Energie Betreer 914 95 F1 Energie G1	275 107 4 1973 - 821 100 1821 103 - 7.73	British Funds Other Fised Int. Commercial, in- Financial & Pro, Of & Gas Plantations Others Totals	porty	
Council Europe 9 06	100 300 1371	1171 ₀	1175 1087 1094	1	5.14 5.90 4.30	Gen Biec Capital 19 95 CS	300 1084 1085 781 400 1077 1081 -1 8.56 200 1084 1094 8.41			
CD 71 00	100	1964	100	宝	5.34 5.19 5.06	Ontario Hydro 107g 99 CS	500 110 ¹ / ₂ 110 ² / ₃ 4 6.51 150 106 ¹ / ₄ 105 ² / ₄ 4 8.27 200 106 ² / ₃ 108 ¹ / ₄ + 1 8.46		LONG	ON RE
BB 94 97 Bec de France 9 96 Buro Cred Card TST 9 94 Buroffma 94 96	1000 200 325	1134	115 114 ¹ 2 1055 1115	-	5.65 6.19	Credit Lydniais 9 06 Ecu	200 1067 1084 +4 8.46 1250 1047 1054 7.15 129 1037 1047 +4 7.54	EQUITIES		
Export 94 96 Export Dev Corp 91 ₂ 98 Finished 77 ₂ 67 Finished Export 93 ₂ 95	100 150 200 200	1157 1084 1194	1074 1105	12	4.96 5.89 5.85 4.85	Deemark 7% 06 Equ	250 1003a 1013a 7.47 1125 1083a 1093a -1a 7.23 500 10832 109 11a 7.85 1000 1133a 1133a 11a 8.14	Price Pad Rang	1993	Sapo
Europrate 94 92 98 Expart Dev Corp 912 98 Finished Peport 97a 95 Fond Motor Groott 97a 95 Fond Motor Groott 97a 98 GMAC 91a 98	1500 300 200 200 200 200	1012	1121 ₂ 1085	ولي ماد	5.04 5.04	United Kingdom 91 ₈ 01 Ecu AIDC 19 89 AS	1000 104% 106 7.19 2750 106% 109% 7.56 106 111 1115 - 12 7.67 106 113% 113% 6.91 100 129% 129% - 12 7.76	25 F.P 179 F.P 40 F.P 100 F.P	1 27 1 197	Brustide Aggr David Brown Debpte Group Flamon Errery ! &Gaste Res. W
inter Amer Dev 72, 96 Raty 81, 94 Kansal Blac Peet 16 96 L1CB Fin 6 97 Matsushaa Elec 74, 02 Mew Zealent 9 94 Miggor Cred 8k 10 ³ , 06 Miggor Ted 14 91, 95 Onlarin 73, 03 Oeter Kontrollienth, 81, 91	1000 850	1057 ₁ 1131 ₂ 107 1031 ₄ 1061 ₆	1064 1135 1074 1044 1065	ع.	5.01 4.16 4.97 5.81 6.61 3.85 5.29 4.33	Overmark 7% 00 Ecu EB 10 97 Ecu EB 10 97 Ecu Ferro del Stat 101e 98 Ecu Italy 103. 00 Ecu Unitaly 103. 00 Ecu Unitaly 103. 00 Ecu Unitaly 103 Ecu ADC 19 89 AS 98 America 12 1e 96 AS 68 America 12 1e 96 AS Euportimento 12 1e 96 AS Euportimento 12 1e 96 AS McDonaldo Canada 15 SS AS MCDonaldo Canada 15 SS AS MCDonaldo Canada 15 SS AS NENT Traccury Zero 9 20 AS H 3 1 Barris 7 to 03 AS SS A Buert Good Fin 9 02 AS Unitarya Australia 12 96 AS LURINYA AUSTRALIA 12 96 AS Albory Mell Frees 13 1e 96 AS Albory Mell Frees 13 1e 96 AS Albora 12 Le 12 1e 97 E British Gen 12 Le 12 5 E British Land 12 1e 18 E BRI 10 07 E BRI 10 07 E	100 1294 1297> 7.76 75 111 114> 2. 7.76 75 111 114> 2. 6.44 100 118 1184> 3. 6.44 100 19 2 941 8.32 126 95 964 8.06 100 104 1047> 2. 7.48 100 119 1184> 7.48 100 119 119 1114	138 FP FP FP 135 FP 112 FP	190 180 40 21 37 31 5	Collectic Res. We Hambres Ing San Institute State Commental Control State Commental Control State Commental Comments Institute Commental
	200	1124 1054 1143	1103		6.90 6.37 5.08 6.40 6.25 5.72 7.51	Attance Lates 11½ 97 2 Attance 12½ 95 2 British Land 12½ 16 5 EB 10 97 2 Feating 19½ 97 2 Feating 10½ 97 2 Feating 10½ 97 2	100 1105 11114 18.77 100 1107 11114 18.00 300 1005 1005 1005 1.6 8.79 100 1105 1105 1105 1105 1105 837 1075 106 11 17.5 100 100 1005 1005 1105 100 1005 1005 1	260. [57.] -		MOUNTER
Oueboc Prive 5 08 Sahrstury 94: 96 SAS 19 98 SEAB 91: 96 SEAB 91: 96 SOUR 91: 96 SOUR 91: 99	150 150 200 200	1091 1163 1023 1083 1013 1003	100%	-4	4.63 5.74 6.03 5.33 4.69	Lary 10/2 14 E	400 1085 1085 5 9.77 200 08 985 0.77 100 1123 1135 8.75 250 1082 1001 6.84 100 1124 1135 4 8.72 150 1135 114 4 8.00 100 1084 1085 6.75	Issue Account Price Pald E or	1	1950 Low
State Bk KSW 812 96 Sweden 512 08 Sweden Export 812 08 Tokyo Ber Power 814 08 Tokyo Metnopuls 814 98 Toyota Motor 55, 08 Uneed Kingdom 71, 09 World Bank 81, 93 World Bank 91, 97 Xerux Corpn 81, 08	300 200 1200 3000 1500 1200	110 ¹ 2 109 ³ 4 105 ³ a 113 ³ 4 112 ⁵ 4 107 ⁵ a	1104 100 1057 1135	걒	5.00 5.18 5.68 5.68 6.44 5.94 5.11 5.79	British Land 12 ¹ / ₂ 16 £ Bit 10 97 £ Halfier 19 ¹ / ₂ 18 £ Land Sect 9 ¹ / ₂ 07 £ Ontarie 11 ¹ / ₂ 91 £ Powerges 6 ² / ₃ 03 £ Sevent Trent 11 ¹ / ₂ 98 £ Sevent Trent 11 ¹ / ₂ 98 £ Holyo Bet Power 11 01 £ World Bank 11 ¹ / ₄ 95 £ LIXZ Fis 9 ¹ / ₄ 02 KZS CZPME 18 96 FFT Bec de France 6 ³ / ₄ 22 FF7 SNCF 3 ¹ / ₄ 97 FFF	150 1135 114 4 8.00 106 1084 1085 6.75 100 7772 7312 +1 7.61 75 1104 1112 7.61 2000 1004 10612 6.77 3000 1074 1063 +1 8.04 4003 1075 106 6.94	100 FP. 100 FP. 100 FP. 100 FP. 100 FP.	- 1054 - 1054 - 1071 - 65	101 Can 102 to acc 100 to Lag 85-7 Pan 122 to g
DEJTSCHE MARK STRAGHTS Austric 57g 97 Belgium 71g 02 Credit Foncier 71g 03 Deutsche Finance 71g 95 ECSG 81g 98 ECG 61g 00 EB 71g 98 Finance 71g 00 Instanct 71g 00 Instanct 71g 00 Instanct 71g 96 Instanct 71g 97	500 2000 1000 700 2900 400 3000 5000 5000	1044 1015 1015 1064 1064 1024 1024 1034	964 1044 1017 1017 1064 1084 1044 1044 1044	* **** *** ****	6.55 7.00 7.01 6.42 6.59 6.57 7.16 6.39 7.19 6.39 7.08	PLOKTING RATE MOTES Alliance Leice 0.08 94 9 Sarco Rome 5 99 Setplam 5 97 034 BFCE -0.62 00 BFRamino 1.01 99 E COCC 9 06 Ecu Citizene ped 8.15 96 Credit Foncier -6, 99 Dermark -1, 96 Drender France -1, 99 Ferro del Stat 6, 97 France 0.67 France 0.67 France 1.57 France 0.67 France 0	learned Mrd Other Germa	Price	Lenest Renunc Carlo High 24/5 Spen 19/5 Spen	Som U
Specia 8 67 Sywcias 8 67 Tohyo Elec Power 7* 02 United Kingdom 7*e 97 Veloswagen Com 8*e 97 World Bank 9 15 World Bank 9 4 96 World Bank 9 4 00	5500 400 2000 200 1250	227	23 ¹ e 108 ¹ e 112	111	6.41 7.08 9.98 5.84 6.60	Lloyds Bank Perp 8 0.10	200 99.77 99.92 6.2500 600 78.19 79.50 3.3710			
SHISS FRANC STRAIGHTS Aginn Dev Bank 6 19 Council Europe 414 98 EIS 614 04 EIS 604 714 08 EIS 614 04	250 300 100 300 100	100% 100% 110% 113 160% 103 106%	11172	77 7 7	6.52 4.60 5.51 6.77 5.44 5.76 8.76 5.67 4.98	Melayeta A. OO Pater Metalomede 8.06 00 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9	850 98.58 100.04 5.250 300 99.78 99.25 9.46 6.113 250 100.04 100.17 3.8750 99.10 59.25 3.1250 200 99.36 99.53 3.2500 250 99.26 3.250 125 99.27 99.21 3.7219 4000 99.78 99.25 3.0625 Cook.	First Dealin Last Dealin Last Decise For settlem 3-month call shown in Satur Calls in Aeros	gs gs rations rent rate indicati day editions	
Kobe 61 VI New Zeeland 41 99 Ortario 51 40 Outside Chydro 5 08 SACF 70 World Bank 6 03 World Bank 7 01	240 200 400 100 480 150	106% 95 1134 1004	100 ¹ 2 107 95 ¹ 2 114 ¹ 2 101 1115	+4	4.87 5.32 5.50 5.35 4.90 5.20	Burton Group 434, 91 £	700 976 986 989 Press, 989 979 979 979 979 979 979 979 979 979	Res., Erg, Er	terprise Co	mputer,
ven straktekts Beigkur 5 99 Dennark 7 95 Elle d's 00 Elle de france 5% 96 Firfand 8% 96 Inter Anter Dav 74 90 Iagan Dav Bk 5 99	50000	106 ¹ g 106 ² g 103 ² g 106 11) ¹ 4 100 ³ g 106	1063 1063 1063 11113 101 1063 1064	4-14-4-4-4-4-4-4-4-4-4-4-4-4-4-4-4-4-4-	5.09 3.81 5.18 4.37 4.46 5.28 4.86 5.19 4.24	Lasmo 74, 60 2 Milston 8 m	209 2332.6 0012 925 +21.44 100 2.283 1004 101 +64.06 00 39.077 924 934 +47.89 00 1.775 1325 1335 +64.05 300 5605.9 974 8874 +47.50 300 5624 884 1004 +31.87	FT-SE AC The FT-SE 100, Actuaries Indus of the United H Stock Exchange rights reserved.	FT-SE Mid 25 try Baskets are	io and FT-S re calculate Republic of
Sweden 5% 95	50000 30000 20000 50000	108% 103% 108%	1024 1065 1637 1094		5.25 4.08 5.17	' No Information available - previous di ‡ Only one maries maker supplied a p	ay's price rice	The FT-Actus ited in conjunct C The Financial	ION WITH the I	nahimia of
STRAIGHT BONDS: The yield is the y	reid to red	imption :	of the bi	a-price	; the an	nount lesued is in millions of aumency uni	ar cuts anywarends on only	The FT-SE II	O. PT-SE MU	250 and F

	n Fun	40					R	ises 22		ills		58011
		d Inter	ect					23		46 S		
				····	**************************************			297	2	74		82
Finan	cial 5	Prop	orty		***************************************			161		99		53
		*******			*** ******** ***	•		15		21		4
	ALO IS	•				***************************************		26		1 51		-
Other		******						57		21		57 57
						_		588		28		1.52
	(·	***				200	3	28		1,32
			_	ONE	ON R	ECENT	ISS	UES		_	_	
EQL	H	ES										
Price	Apping Pand up	Lutost Parass Data		93 Low	s	inch.	Dosley Phot	+25	Nes Div	Times Cov's	Grown Yield	PLE PLE
25	f).	-	32	29	Bruntside A	W 44500	Z	\vdash		=	-	
40	FP.	-	102	193	David Brown Designs Grow	D	22 × 15	1-2	W5.0	24	13	75.
108	FP.	-	106	100	Pleased Erro	Mds	105	1	-] =] =	1
138	FP. FP.		150	142	Hambres Inc.	Service	145)	R5.2	20	45	14
-	FP.		1 400 1	160			160	1	00.44%	13	17	Ż
-	FP.	:	40 37 165 127	31 b 147	Crisical State Planging Ma	CO'S WITE	20	[-	:	-	1
135	F.	-	165	147	PROPER LIFE.		147 147	-9	14.5 R3.8	14	23	14.
112	FF.	:	296	117 250	Stagements.	H'care.	123	.1	R3.8 W3.75	17 17	19	15
		post	i abel		INTE	REST S	тос	Ж		100	xte _q	•
Phos		Maria T	Person. Date	Högir	Low		State	4			E E	
190	1 :	. 1	:1	1064 1064	101	Castal Interest	e Fys	D: 2006		-17	157.	
100	11		- : }	1914	100%	echcapa (+'esc (legal à General (Phograndes fra	Here Do 2	6005		1:	025 015	*
100 100 65% 100	1 1	ž	:1	122	127	Phogranico fra Logo Estates 71 ₂₂	K /Vepc D pc Or Ges	v 3003 . La 2029		- 1	25 ¹ 2	+2
				F	elGHT:	OFFE	RS				_	_
_	~		Laccest Remune Cache	High	1993 Lon		Stock	ı		Closi Pric		+ OT
Intus Price P		-	ODI				1000	_			and I	
Price P	1	iab	245	8pm 8pm 13pm		Coverheid F UK Safety United Drug				12	1000 1000 1000	
Price P	1	iab	245			(Generalid F UK Selety — United Drug . Boart awnering pares & leave recolus.	ed Chick	nod, or y of rig	over end p	fig for retic	pen trans	ed or acting

T-SE ACTUARIES INDICES

he FT-SE 100, FT-SE Mid 250 and FT-SE Actuaries 350 Indices and the FT-S ctuaries Industry Baskets are calculated by The International Stock Exchange the United Kingdom and Republic of Ireland Limited. O The International tack Exchange of the United Kingdom and Republic of Ireland Limited 1983, A other reserved.

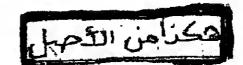
Hanson warrants, Hartston Kunick, Marshalls, Monarch Re Micro Focus, Simon Eng., Telem trix and Tribbett & Britten. Puts

Micro Focus and Tibbett & Britte

The FT-Actuaries All Share Index is calculated by The Financial Times Lined in conjunction with the Inshitute of Actuaries and the Faculty of Actuaries The Financial Times Limited 1980. All rights reserved.

The FT-SE 100, FT-SE Mid 220 and FT-SE Actuaries 350 indices, the FT-SE Actuaries Industry Baskets and the FT-Actuaries All-Share Index are members of the FT-SE Actuaries Share Indices earlies which are calculated in accordance with a stundard set of ground rules established by The Financial Times Limited and Lordon Stock Exchange in conjunction with the Institute of Actuaries and the Fraulty of Actuaries.

		LIFFE	EQU	ITY OPTION	s			
	CALLS POTS Oct Jan Jol Det	Juny Options		CALLS PUTS Ang Mor Play Ang Nor			ATLIS	PUTS
Affectives 500 48 (542) 550 17	58 96 9½ 17 31 42 33 42	25 BA7 lods 50 (7848 1	800 00 850 6	81 08 1 15 34	(Base) (*652.1	650 27		24 46 6 56 74 9
Argel 300 18 (*207) 330 6	25 31 14 20 13 17 36 39	24 BTR 41 ("581)	550 32 600 1	45 53 1 9½ 17 15 27 22 32 43	(*151)	140 15 160 41 ₂ 11	22 26 11 ₂ 18	3 75 11 13 175 22
150A 67 7 168) 76 3	70 - 5 91 ₂ 8 - 11 14	- Brit Telecon - (*417)	420 2		(*114.)	120 512	11 15 9	12 1012 1 12 17 1
Brit Acresys 280 27 (236) 300 142	37 42 7 13 1 51 ₂ 32 18 221 ₂ 2		400 1 ¹ 2		(*614) Nati Power		35 52 4	16 35 4 16 63 7 6 15 ¹ 2 19 ¹
SmR Bicker J. 460 38 [478] 500 15	52 62 16 29 32 43 38 50	36 Exsters Do. 56 (*451)		42 47 1 111 ₂ 18	(°332) Routeon	360 21 ₂ 1250 53	11 181 ₂ 2 91 130 2	29 34 3 25 52 7
Souts 420 43 *448 460 18	56 60 7 14 33 37 25 31	19 Gunnass 37 (*475)	460 IS 200 I		Rolle-Boyce	148 1032	18 22	5 10% 14
	33 29 8 15 5½ 25 23 29	18 (EC)	300 22 330 1		(*148.) Scot Power (*31))	319 6		7 21 2 7 19 2 22 32 3
795) 106 8 Bass 500 48	18 18 ¹ 2 5 7 11 14 8 ¹ 2 12 52 60 12 18	28 (*238)	220 20 240 2 140 16	27 ¹ 2 25 ¹ 2 1 3 ¹ 2 8 19 15 3 12 16 ¹ 2	(*106)			4 5
*S3T 1 550 14	27 35 30 43	(154)	160 2	29 30 1 7½ 17 14 21 7 17 22	Forte (*192.) Tarmac	200 512	14 29 1	4 9½ 1 3 19 2
718 1 750 18 Courteside 500 45	34 44 57 63 58 84 11 18	43 Lucas Inde 60 (*137) 25 (*137)	138 8 140 1½ 550 46	17 22 1 6 15 12 19½ 4½ 13 21 60 75 1 11 27	1' 136 1 Thorn EN	140 8 12 800 49	18 22 31 12 16 61 84 76 61	2 15 2 2 29 3
"537) 550 14 Summ Union 550 14 "577) 500 4	29 36 35 43 29 65 36 43 13 30 77 00	29 (*582) 00 Pilangton	600 3 129 91 ₂	31 44 9 29 58 15 20 1 512 912	7833) TSB	100 9	33 50 2	5 12 t
Norms 160 18	25 - 11 1712	- Producted			(*184) Tomidos (*227)	200 3 7 220 14	12 12 1 19 28 4	8 29 2 2 11 2 1
765) 180 9½ 200 420 34 442) 460 13	17 - 24 29 42 - 8 18	(*315) HTZ	330 1 600 42	27 33 1 7 13 12 18 18 22 29 62 75 2 13 24 31 45 13 32 46	Vani Reets (*\$64)		14 18 3	6 24 Z 2 8 1 6 14 1
rand Mat 390 32	20 - 27 39 40 - 13 20 25 - 27 35	Cot & New (*482)	550 3 480 7 500 1	31 45 13 32 46 25 33 2 23 31 19 19 29 52 57	Wellcome (*148)			9 20 4
1250 63 1259 1300 38 ¹ 2 5		72 Tesco 14 (*214.)	200 16	25 31 1 512 19	8	JAO FT-SE 13		
614 632 14 activate 180 19	53 - 16 27 30 - 43 53 23 - 10 ¹ 2 19	Thames Wit-	220 1½ 480 39 200 3	13 20 7 14 20 43 47 1 10 15 18 24 5 29 36	CALLS	775 2625 26	75 2825 297	5 3025 307
184 1 200 7 ¹ 2	14 - 25 31	(*419 1	390 20 420 21 ₂	18 24 5 29 36 48 00 1 11 20 24 37 5 24 32	May 129 Jun 142 Jul 160	99 84 3	5 11 ₂ - 7 19 5 - 39 -	
568) 600 3 arts 4.6 330 29	19 16 63 65 1 30 37 9 18	St Option 16 Redard		Nov Feb Aug Nov Feb 50 60 19 32 18	Sep 193 Dec † 240		- 76 - - 122 -	- 42 ·
345) 360 6 ³ 2 20 West 480 31	15 22 28 32 42 52 14 25	38 (*518.) 30 Royal Indica 00 (*304.)	500 36 550 15 300 22 330 8 ¹ 2	50 60 19 32 58 29 37 49 91 67 29 30 12 19 23 16 22 30 35 36 27 34 15 24 27 19 22 35 43 46	Jim 11	1 ¹ 2 6 30		
nabury 420 48		WMane (330)	330 20 360 8	29 30 12 19 23 16 22 30 35 39 27 34 15 24 27 19 22 35 43 46	Jul 20 Sep 41 Dec †671 ₂	- 72 -	- 97 - - 120 - - 143 -	172 - 183 - 168 -
510) 650 6	30 37 28 34 3 38 47 14 24 3 15 24 48 98	99 99 92 Option				FT-SE MODE	K (*2842)	
trehouse 200 17 2041 220 8	24 30 19 15 15 21 24 29	Abbay Nati	330 27 439 81 ₂	Sep Dec Jen Sep Dec 37 46 5 14 20 20 30 18 29 35	CALLS	750 2500 285 00 54 15		
96) 106 8	11 13 812 12 1	Anutrad 15 (*33) Declars	429 81 ₂ 30 41 ₂ 38 11 ₂ 420 33	4 512 412 9 7	Jun 185 1 Jul 181 1	29 60 46 41 103 72	24 12 2 48 29	4 ¹ 2 2
1035) 1050 51 1 M Blocults 300 38	49 - 13 20	13 1*445 1	480 712	44 57 4½ 18 22 22 33 22 30 41	Dec † 390 PUTS	62 127 97 - 190 -		
	37 - 29 33 -	- Sius Circle . ("254) British Gas	240 21 268 9 280 17	30 35 3 12½ 17 20 29 13 22 20 26 30 3 6 14		T 2 14 12 22 42 29 45 81	71 119	154 204
	7 58 1 20 3	(*292) ** Oboos (*213)	300 51 ₂ 200 29 220 8	14 19 12 17 25 27 35 4 13 17	Aug 29 Dec † 00	39 06 76 - 06 -	106 133 138 -	
322) 330 212 3		Eurotumei	390 23	17 25 14 24 28 46 061 ₂ 191 ₂ 33 441 ₂	May 16 Total (Calle 17,478 P FT-SE Index Ca	UG 11,917 UG 4049 Por	9 3 121	
		(1395) 4	420 912	30 4512 36 51 6112	Euro FT-SE Ca "Underlying sec Previums abov	3 1,146 Puts	847	ogáry siáte.
	FT-ACT	UARIES	FIXE	D INTERES	INDIC		ON COUNTY OF	aser pages.
	PRICE INDICE			AVERAGE GROSS		Tue	Man	Year
	Tue Day's	Mon Accrus	d xd adj.	REDEMPTION YIE		May 18	May 17	200 (approx.)
Taraba and a	May change	May Interes		2 Coupons	5 years.	7.16 8.09	7.14	8.1)
Drillets Government Up to 5 years (23)	127.41 -0.05	127.47 2.1		3 (0%-71,%) 4 Medium	20 years 5 years	8.31 7.44	8.09 8.31 7.42	8.91 8.91 9.14
2 5-15 years (24)	145.78 -0.01	145.76 2.1	6.22	0 (100) 103 441	15 years	8.50 8.80	8.51 8.61	8.95 8.93
4 Irredeematies (6) .	156.27 +8.20 174.19 -0.21	195.96 2,3 174.55 0,8		8 Coupons	5 years	7,66 8,76	7.64 8.76	9.34 9.07
5 All stocks (63)	142.52 +0.01	142.50 2.1		I Indiana a	20 years	8,81 5,66	8.80 8.64	9,02 9,11
6 Up to 5 years (2) 7 Over 5 years (11)	183.30 +0.68 171.54 +0.68	183.16 0.6		11 Inflation rate 5%	Up to Syra Over 5 yra	2.88	2.90	3.98
B All stocks (12)	171.54 +0.05 172.35 +0.06	171.85 1.0 172.25 0.9		13 Inflation rate 10% 14 Inflation rate 10%	Up to 5 yrs. Ower 5 yrs.	3.59 2.20 3.42	3.59 2.22	4,40 3,23 4,21
				15 Dates &	True U 712L	. 3.57i	3.42	471



+0.18

Rentokil makes hostile bid for Securiguard

RENTOKIL Group, the environmental and property services company, yesterday launched a hostile £59.2m all cash bid for Securiguard, the provider of security and cleaning services in the UK

The offer was rejected by Securiguard's board, who said it "significantly" undervalued the company and advised sharebolders not to sell.

The 270p a share offer represented a 46 per cent premium to Securiguard's closing price on Monday of 185p. Following Securiguard's rejection, its shares closed 19p above the offer price at 289p, suggesting the market expected Rentokil to raise its offer.

People can see how this deal will help Rentokil's earnings and so expect them to go a hit higher to get the bid recommended," an analyst said.

Mr Clive Thompson, Rentokil's chief executive, said the company saw security and guarding services as a good fit with its other business services, like property management. Securiguard's cleaning activities, expanded in 1990 through the purchase of Madison, could fit with Rentokil's office cleaning activities, Mr Thompson said. Rentokil appeared less inter-

ested in Securiguard's other divisions, communications and Securiguard, which gained a

full listing in 1987, has seen its sbares underperform since 1990 because of fears about the quality of its management and business. Although it bolds some high profile contracts, such as providing security for New York's Kennedy airport, its cleaning division is thought to be skewed towards low mar-gin, local authority business.

In the year to November, the company reported pre-tax profits of £5.74m on salea of £165.1m. One stock market analyst expects profits this year of £6.2m, putting the shares on 13.6 times earnings at yesterday's closing price.

Securiguard had net assets of £2.68m at its year end. Rentokil said it would need to write off about £57m in goodwill if the According to analysts, the

acquisition would enhance short term earnings at Rentokil, which had net cash of £60.2m at December 31. However, the company's shares fell 4p to 198p on concerns about longer term earninga growth and questions about the quality of Securiguard's profits.

Mr Thompson said Rentokil believed customers increasingly wanted quality security services and this would allow improved margins.

Securiguard employs about 15,000 people, including part time workers. Rentokil is making the offer

through its financial adviser County NatWest. Securiguard is advised by BZW.

FT Ordinary Index

ON June 1 1993, when the to the FT Fixed Interest: demerger of ICI and Zeneca comes into effect, ICI wil remain a constituent of the Financial Times Ordinary Share Index (the "30 Share").

FT Fixed Interest Index On May 18 1993 there will be a number of constituent changes

GEC 7% % Uns Loan Stk 1988/93, Unilever 51/4 % Uns Loan Stk 1991/96 and BAT 5 % Cum Pref will be replaced by Allied Lyons 9% % Deb Stk 2019, Forte 10 % Deb Stk 2018 and General Accident 8% %

DIVI	DENDS	ANNO	•		
	Current payment	Date of payment	Corres - ponding dividend	Total for year	Total last year
Affied-Lyonsfin	14.05	July 30	13.35	21	20
Baring Strattonfin	2.29	June 23	1.7	2.29	1.7
BOCht	11.6	Aug 2	11	23.2	22
Concentricint	1.77	July 1	1.77*		5.585
Diplomsint		July 1	2.75	-	9.75
Elswickfin	0.15	July 23	Дп.	0.3	0.22
FornerInt			1.7		4.2
HansonInt	2.85	July 1	2.75	• *	5.5
H'tlepools Waterfin		July 1	29	55	50
Marks & Spencerfin		July 30	5	8.1	7.1
Nerborough Plantint		June 28	0.5	-	1.5
River & Merc Amint	1.8	Aug 6	1.8	-	7.8
Yorks-Tyne Teesint		July 30	3.3		12
Young (H)		July 16	2	-	3

Dividends shown pence per share net except where otherwise stated. "Adjusted for scrip issue. †On increased capital. §USM stock.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange, Such	rities, M & G Recovery, Young & Cos Brown FUTURE DATES	
meetings are usually held for the purpose of considering dividends. Official indications are not available at to whether the dividends are intenting or finals and the sub-divisions shown below are based melnly on last year's timetables. TODAY	Interference Apolio Metala Mag Dicheon Park Mag Dicheon Ma	,
Insteriors - Acatos & Hutcheson, Anglo Irish Bunk, Baggeridge Brist, Compass, Dunedin Worldebury, Group Development Capital Trust, Leola. M & G Income, New Zeeland Inv. Trust. Finals- Boris, Chambelin & Hill, ED Oro Mining &	Jervis Porter Mit Porter John Porter Porter Porter Maio Electricity Jun TR Property Inv. Trust Mar.	,

of warrants "88C" 1990-95 ssued by ABB Employee Equity B.V.

The Annual General Meeting of shareholders of BBC Brown Boveri Ltd witzerland, held on May 6, 1993 has decided to

- make a split (1:5) of each of its Series B Registered 5 with a nominal value of SFr 100 into 5 new Regi each with a nominal value of SFr 20;
- tke a spill (1:5) of each of its Series A Bearer Shares with a nominal value of SFr 500 into 5 new Bearer Shares ea a nominal value of SFr 100; and

(iii) to exchange each of its Participation Certificates with nominal value of SFr 100 for one new Bearer Share with nominal value of SFr 100.

As a consequence and in accordance with Condition a of the BBC warrants each warrant entitles tha holder thereof to purchase 1,01 BBC Bearer Share with a nominal value of SFr 100 at a price of SFr 1016.20 per share. This change is effective from May 11, 1993.

May 11, 1993

ABB Employee Equity B.V.

BELGIUM

Fax: 322 511 0472

FT SURVEYS

COMPANY NEWS: UK

Prudence pays dividends for M&S

Elswick

in black

and services.

near £2m

ELSWICK overcame a tough

carried ovar to the current year which had "started

The accounts comply with

FRS 3, and 1691-92 now

showed a pre-tax loss of £1.54m after a £1.68m loss on

Print and packaging sales

rose 8 per cent to £28.1m. hnt

operating profit fell to £2.74m

(£2.81m) after £150,000 non-re-

curring expenditure on a new

Earnings per share came to 0.78p (losses 0.82p). The final dividand is 0.15p for a total of

Mr Cross is retiring as chair-man on July 22 and will be

succeeded by Lord Lane.

offset litho press.

0.3p (0.22p).

briskly", said Mr Cross.

disposal of Falcon Cycles.

"IT doesn't worry me if I'm not described as entrepreneurlal and all those other husiness-school adjectives," says Sir Richard Greenbury, Marks and Spencer's chairman and chief executive. "I'm quite pre-pared to be a tortolse provided we get

year, particularly in the last four months, to produce a pretax profit of £1.91m for the 12 Sir Richard's cautious prudence has paid off. M&S yeaterday snatched back the months ended January 31. crown of the UK's most profitable retailer.

The Stock Market's downbeat reaction Reminding shareholders that trading was weighted towards the first half, Mr Bill surprised some analysts, who suggested Cross, chairman, said the secthe City was concerned about a wage ond period was constrained by unusually subdued demand in tlement that will add 6 per cent to M&S's wage bills, and was disappointed that sales specialised print and packaggrowth was not greater.

ing, and hy particularly adverse weather which led to £1m of lost sales in equipment But, as one analyst put it, "Marks and Spencer has never been a top-line story". The company makes money by being a Those constraints were not

superbly-run operation, and that was perhaps more true this year than ever, with pre-tax profits up 10 per cent even stripping out last year's exceptional items, on turnover up only 3.4 per cent overall.

Improvements in information technology helped M&S keep firmer control of its stock, avoiding the need to discount to get rid of surpluses as many other retailers do.

That technology has also improved dis-tribution, enabling M&S to respond quickly to changes in fashions, and keep operating costs down. The result was a 6.8 per cent rise in UK operating profits, on turnover up only 1.8 per cent. The improvements in efficiency also

enabled M&S to freeze prices for 75 per cent of its clothing, and reduce prices for 25 per cent by cutting its buying margins. Profits were also boosted by improved performances abroad. Sales in continental

ing profits were up 15 per cent to £27m. In North America, there was evidence that the company's homegrown expertise was bearing fruit. The Canadian operations climbed out of the red for the first time, with an operating profit of £0.1m, after the

reduction in staffing in the past two years. Brooks Brothers in the US increased operating profits by 20 per cent - the third successive rise - while Kings Super Markets also saw operating profits grow 20 per cent. In the Far East, improved merchan-dise values, cataloguing and distributioo lifted sales 64 per cent, and operating prof-

closure of 80 stores and a 55 per cent

As UK consumers start spending again, and the company steps up its overseas expansion. M&S looks likely to remain a

its 68 per cent to £10.6m.

Newcomer Linx issues profit warning

LINX Printing Technologies, the manufacturer of continnous ink jet printing equipment, yesterday shocked the market with a profits warning just six

months after Its listing. The shares fell 36p to 139p, some 9p above the price at which they were placed last October. The warning comes six weeks after a similar statement from Domino Printing Sciences, its larger UK rival. The unexpected difficulties both companies have come up

against suggest their products have met greater than expec-ted competition from Videojet, of the US, and Imaje, of

Linx said pre-tax profit this year would be "around the same level" as the £1.64m achieved in the year ended June 30 1992, and lower than It expected at the time of the interim results on March 3. It still intended to recommend a final dividend of 1.73p, giving 2.08p for 1992-93.

The market had been expecting profits of about £2.2m.

Shortly after the interim statement, Mr Derek Harris, chairman, sold 300 000 shares at 183p. That was for personal reasons and he retains 500,000

In the interim statement Linx said sales in Europe, including the UK, had risen. There was strong growth in France and Italy and slower progress in Germany and the

Yesterday it conceded that ales had suffered "particularly in the UK and Germany due to tighter market conditions

It was reviewing the sales and marketing strategy in Europe.

Mr Harris said the company had been expecting to sell significantly more in the second half. As the product carried high gross margins, any reduction in sales had a large impact on the bottom line.

"At the time of the interims we had no idea (about the lower sales)", said Mr Harris. Shares in Domino Printing fell 11p to 508p after its profit

Warburg in US expansion

By Tracy Corrigan

SG WARBURG is to purchase KC-CO, a Chicago-based derivatives trading partnership, as part of a drive to expand its derivatives husiness.

KC-CO has seats on the Chicago Board Options Exchange and Chicago Mercantlie Exchange. Founded in 1985, the 60-strong firm had net assets of \$22.4m as at December 31.

Other the past few years. many of Chicago's specialist derivatives firms have been bought hy larger institutions. The terms of the KC-CO acquisition, while not fully disclosed, include SG Warburg Group ordinary shares to a value of \$15m and warrants to

However, the deal is subject to restrictions, principally continued service by former partners of KC-CO for a period of

subscribe for a further 9.75m

up to five years. The right to exercise most of the warrants, which carry a strike price of 800p and are exercisable between four and 10 years after completion, is subject to SG Warburg ordinary shares having reached certain threshold levels up to £10.50 within the next fonr



Extracts from the Chairman's speech at the 1993 Annual General Meeting on 18th May.

> "In covering the Group's prospects for 1993, I am conscious that the outlook is rather more fraught with uncertainty than is usually the case at this stage in the year.

> The sluggish world economy is impacting our cigarette exports. The recent escalation of the price war could adversely affect US cigarette profits. In the UK the strength of the growth of the "green shoots" will be the measure of the recovery in Eagle Star and Allied Dunbar. The volatility of the sterling/dollar exchange rate is relevant to the translation of our results.

> Nevertheless, for the Group as a whole, the balance of our business in personal financial services and tobacco, coupled with the wide geographical spread, should enable us to report substantial growth in revenue and profits this year. Earnings per share will be even greater as a result of the Enhanced Share Alternative, if approved.

> In conclusion, this may be a year of uncertainties, but I am confident that B.A.T Industries will, once again, reward shareholders with dividends significantly in excess of the rate of inflation, whilst continuing to rebuild our dividend cover."

> > SIR PATRICK SHEEHY, CHAIRMAN

For a copy of the full speech contact B.A.T Industries p.l.c. Windsor House, 50 Victoria Street, London SW1H ONL.

More than £8bn cash available for a big takeover bid

Hanson improves to £507m

By Roland Rudd

HANSON, the Anglo-US conglomerate. yesterday reported pre-tax profits slightly higher at 150 im. compared with £500m, in the half year to March 31, after £47m of profits on disposals from discontinued

operations and fixed assets.

Trading profits rose from £449m to £465m on increased sales of £4.8bn (£4.17bo). The stronger dollar accounted for up to £30or of profits. Fully diluted earnings per share fell from a 5p to 7.7p. The

divided is held at 2.85p. The group's net debt more than doubled to £1.59bn. although more man : 00m of the increase was due to the rise in the value of the collar

Mr Derek Bonham, chief executive, said: "With more

resources to write a mammoth cheque: if underperforming commanies think Hanson is not in a positioo to do oig takeovers they could be in tor a nasty shock

Mr David Clarke, chief executive of Hanson Industries, the group's US arm, said while large acquisitions would continue to be part of the group's strategy the greatest potential for growth would come from continued capital investment in our businesses

Capital expenditure rose from £110m to £144m. The tax charge increased from £87m to

The US consume- husinesses increased operating profits from £46m to £63m offseting a disappointing result from Pea-body Coal, suffering from

than £8bn of cash we have the profits tall from £69m to £54m. Despite Cavennam Forest industries' increased profits of £50m (£34m). the overall £3m increase in building products to £92m was less than expected because aggregates saw 1.5 profits fall from El-m to 22m.

Group 573-tat profits included £20m profit or the sale of Weber Aircraft; £7m from selling half its stake in Wassall, the mini-conglomerate, and a further £20m from the granting of additional rights to Shanks & McEwan, the waste management group, at landfill sites.

Notwithstanding Harson's ability to write a big cheque. talk of the group's greatest potential coming from existing businesses and bolt-on acquisigrowing influence of the new mangement. If so, then Hanson must be judged by the profit ability of its mainstream business. The best that can be said is hat on palance the group performed credibly. While consumer businesses out-performed market expectations, huiding products fared worse.

There remain nagging finan-cial problems, such as the higher tax charge, the unwinding of its interest rate arbitrage position and net provisions of £144m. Recent changes in advance corporation tax and the fact that interest income fell by just £9m to £36m may indicate tuar some of those fears could be exaggerated. With forecast tull year earnines of all. son the shares down 54p to 2374p - are fairly

owever los -: naking Nor-

affected steels, though the Sir Patrick.

> small Continental operations were still for sale. Sir Patrick claimed they were trading profitably, and warned he would prefer to keep them rather toan sell them at knock-down prices.

Tilade, Fisous' latest asthma treatment, would be launched this wonth, said Sir Patrick. He said he expected a licence for the product in Japan later

Fisons' chairman rejects call for merger

By Paul Abrahams

FISONS' chairman, Sir Patrick Egan, yesterday rejected calls meeting for the pharmaceuticals and scientific equipment company to merge with

another group.

A shareholder said the new management had "totally lost credibility" following the decision to cease developing tipredane, a potentially important asthma treatment, and what Sir Patrick admitted bad been a nisappointing year.

The shareholder said: "Maybe now is the time to consider a merger so shareholders can look forward to some future growth."

Sir Patrick said the company was continuing to put its house in order. "We are confident we now have the right strategies and capital invest-ment in R&D to create further growth for shareholders," he explained. He added that the group would continue to look for collaborative alliances.

He warned, however, that Fisons' growth during the first half of 1993 would be held back by the recession on the Continent and pressure on margins scientific instruments This business had had a very difficult time last year, said

Meanwhile, the group announced it had agreed to sell its North American horticulture business to Macluan | for at least a year. Capital Corporation, the Vanconver-based group, for \$60m (£39m) cash.

The Fisons huslness had turnover of ahont \$85m last year and operating profits of about \$14m. Proceeds would be used to reduce borrowings.

listing for Gartmore shares

BANQUE INDOSUEZ, the French investment bank, announced yesterday that it was considering listing the shares of Gartmore, the UK fund manager, on the London Stock Exchange. Banque Indosuez will retain

expected to sell anywhere from 25 per cent to 49 per cent of its stake. Gartmore was pur-chased from British and Commonwealth for £132m and it is now capitalised at between an estimated £200m and £250m. Mr Paul Myners, chairman of Gartmore, said that so far

there were no immediate flotation plans and investment advisers had not yet

We made an announcement at an early stage because in the nature of our business we regularly have to answer questions from clients about our ownership," Mr Myners said. The company felt a public announcement was preferable to allowing a leak of a planned flotation to raise questions about Gartmore'a future.

Banque Indosuez considers

controlling interest and is Over the past five years Gartmore has become one of Britain's most successful fund management companies. Assets under management have soared from £6.3hn in April 1990, when it was acquired by Banque Indosuez to £14.5bn in April 1993. It now "Big Four" of UK fund manag-ers handling pension fund

generation is strong; it

appears, unlike many MBOs, to

have invested in its future.

And the applications for poly-

mer based rigid packaging are

growing soundly, so it can

expect to take market share

from giass, for example. The

company is already producing

fine double digit margins, so

there can be only limited

improvement bere. But as the

economy recovers, so growth

should emerge strongly from

its largest market sector -

paint pots, even if elsewhere

sales are less geared to recov-

ery. The pricing, while by no

means ambitious, is also not

overly generous. At 125p, RPC is almost bang in line with

rival, Plysu's prospective mul-

tiple of about 14 times. On bal-

ance though this a reasonable

rate at which to be getting on

board a long-term growth stock

where strong management is

already up and running.

a disproportionate amount of the husiness due to consistently above-average investment returns.

Its performance in its long-term balanced pools have been well above the median for the past 41/2 years and last year the median return on its segregated pension fund pool was 26 per cent. This compares with an industry median of 21.8 per cent according to Combined Actuarial Performance Services, a performance measurement group.

Roughly 80 per cent of the company's assets under management are those of UK pension schemes, and Mr Myners said Gartmore ia seeking to diversify the source of its busi-

Diploma shows improvement to £8.1m

By Peter Pearse

By Paul Abrahams

tion at pharma les.

DIPLOMA, the electronics building products and special steels group, lifted pre-tax profits from ±2.5m to £8.1m in the six months to March 31. However, the advance was flattered by the restatiog of last time's figures to conform

with FRS3 accounting stan-As reported, the previous profits ciueiged at £6.2m; restated, the losses of £1,110 on a disposal and £2.6m on good-

WELLCOME, the UK drugs

group, yesterday announced

the UK health authorities had

approved its Zovirax heroes

treatment for sale over the

counter (OTC) with a prescrip-

cream rather than intravenous

or oral no mustions. The

cream formulation represents

about at per cant of sales of

The approval is not the

will have now become exceptional charges.

Mr Christophin Thomas chairman, said that the sin months under review had been one of "two contrasting quarters, with considerably greater buoyancy in the more recent

He said that "the worst of the long, deep recession appears to be over, if our own experience over the last few months is indicative".

As previously, there were two star periormers.

sales of £586m last year,

The product should be launched in mid-July, although

a Parliamentary order is

required to complete the

change in status from prescrip-

The group has substautial

ambitions for selling Zovirax

OTC. In New Zea:and, sales

rose 31 per cent during the 12

months after its became avail-

able OTC. For the orevious 18

Wellcome continues to

monins sales had then static.

ing accionie which generated search for a partner to

Approval for Wellcome's Zovirax

Macro, the autime compoof /3.2m to turniever of goog thof the electrical districtor iòlim and i49m totals. 🗄 lifetà its own profits and sales 75 per cent and 35 per cent respec-

Mr Thomas added that the smaller Nortronic aiso performed well, with profits up 50 per cent.

The other star was IG Linteis, which made £2.5m of the hullding products division's \$2.7m, though the first cuarter

strengthen its OTC operations which Mr John Robb, chief

executive, believes do not have

critical mass. He argues the

business is too dependent upon

cough and cold remedies, and

does not have enough presence

in ontinental Europe, north

America and Australasia. The

danger, be warns, is that Well-

come could miss or, or the big

OTC opportunity presented by

Mr Robt has "aled cut OTC

acquisitions which are too

expensive, but says he is mon-

Zovirax

had been "unexciting" tyrod Partitions had to be reorgrinised and its workforce halved to 50, resulting in an ancheptional debit of £1.1m. Again oil sector uncertainty

reorganised if Whitham increased profitability. Group turnover was £74m (¿6).5m1 and operating profits £8.5m (£5.1m). The interim dividend is hoisted to 3.5p (2.75p),

sidering the possibility of a

separate joint-venture com-

pany, in which Wellcome could

be the juolor rather than senior partner. The group has

recently signed a co-promotion

agreement with Rhône-Poulenc

Rorer in France. Mr Robh says

a collaborative vecture for co-

oevelopment in Japan

OTC in Germany last Septem-

ber and this month began a

iarge television advertising

Wellcome launched Zovirax

remained a high priority.

RPC to join the market with £75m tag

By Richard Gourlay

SHARES in RPC Group, the plastic packaging company, are to be sold to the poblic through an intermediaries offer next week at a price of 125p, valuing the company at 275m.

The company is raising Solim net in the sale and the placing underwritten yesterday by Baring Brothers. The three key directors are not selling any shares and will not do so

of the proceeds and will take or trime debt to redeem £23.1m of trafetence shares and shares in a natoyees.

24 Line shares being placed, 9.5m are subject to recall to sansiv valid applications from The UK business and two preferential applicants under the intermediaries offer.

At 125p, the company has a historic p.e multiple of 15.1 times. The notional yield is 3 per cent and the notional net dividend for the year to end-March 1993 is 3p.

RPC was a management buy-out in 1991 from SCA, the Swedish paper and forest products group. SCA had bought the group from Reedpack, in turn an MBO from Reed Inter-

ally comes under threat The offer closes at noon on May 25 and trading begins on

Venables

May 28. It is underwritten by MR ALAN Sugar'a attempt to Baring Brothers and the broundermine the powerbase of Mr Terry Venshles at Tottenham Hotspur, the north London football club which RPC has the look of a thoroughly solid company. Cash the pair rescued in 1991, has turned to Mr Venables' one

supporter on the board. It is understood that Mr Jonathan Crystal, a barrister who joined the board in Angust 1991, is to be asked to resign. Mr Sugar, who owns 48 per cent of Tottenham's shares, has made it clear that he resents Mr Crystal's influence over Mr Venables.

Another of Mr Venables' associates, Mr Eddie Ashhy, who has acted as a consultant at Tottenham, had his services terminated by the board on Monday. The same meeting discussed Mr Crystal's directorship - in his absence including the possibility of holding an EGM to consider his removal.

On Friday, Mr Crystal was the only board member to vote against Mr Sugar's move to sack Mr Venahles as chief executive. He was later reinstated, by a High Court order, until a hearing on May 25.

In-line

Resilient performance establishes sound base for growth.

Pre Tax Pro	ofit Earni	ngs per Sha		s per Share
1992/93 19	1991/92 1992/	/93 1991/		1991/92
£505m £- Up 15.0%	139m 35.2	p 34.0 Up 3.5%	.	20.0p 5. 0%

"Normalised

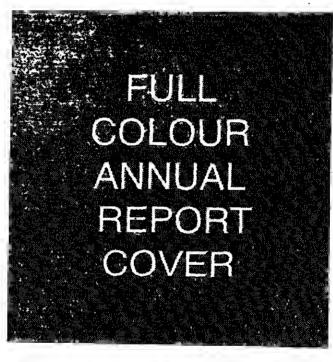
52 weeks to 6 March 1993 on an FRS 3 basis.

"The twelve months were no easier for Allied-Lyons PLC than for any other international business. It is especially pleasing, therefore, that apart from achieving a higher and better quality profit, I can also report significant progress in the process of change inaugurated in 1991/92.

Our operations are well positioned and we have made a promising start to 1993/94 but much will depend on the performance of the major economies.

Our employees' enthusiasm and skill have been soundly proven once more, their success reinforcing my belief that the group's future is a bright one."





COMPANY NAME

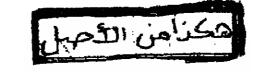
750 characters of text 750 characters of text750 characters of text 750 characters of text 750

In the week of 28 June 1993 the Financial Times will publish its

ANNUAL REPORT SERVICE

In 1992 companies received an average of 1312 report requests - 56% of requests from Chairman and Chief Executives in 80 countries worldwide.

To reach this highly influential audience by advertising in this year's feature, please call Elizabeth Vaughan. Tel: + 44 (0) 71 873 3472 Fax: +44 (0) 71 873 3428 or your usual Financial Times representative.



agement criteria for the pri-

vate syndicated funding

scheme will be offered to sub-

scribers to the magazine and to

the public by means of a syn-

Bonds would be issued in

£500 denominations, interest.

at an agreed rate above Lon-

don Interhank Offered Rate,

would be paid on half of the

honds' nominal value while dividends would be paid on the

cumstances, Capital Exchange

operation of an after-market.

ments to bondholders.

opsis in the national press.

Signs of UK recovery weak while upturn in US moving erratically

BOC shows 11% rise to £180m

BOC, the industrial gases and drugs group, yesterday reported profits on ordinary activities before tax up 11 per cent from £162.1m to £180.1m

for the six months to March 31.
The results were flattered by favourable currency movements. The rate was \$1.53 to the pound during the six months, compared with \$1.78 over the same period last year. At constant exchange rates the rise was limited to 3 per cent. The figures were achieved on turnover up 10.4 per cent from £1.37bn to £1.51bn.

A second interim dividend of 11.6p (11p) is to be paid making a total for the year of 23.2p (22p). Earnings per share for

the period came out at 23.55p (21.55p).

The group, which believes its industrial gases husinesses represent good economic indicators, warned that the UK recovery was weak, with the favourable trend in retail sales filtering only slowly into industrial activity.

Mr Patrick Rich, chairman, said the upturn in the US was moving erratically and there were no signs yet that the recovery had staying power. The impact on demand remained restrained, he warned. Meanwhila, the Germanned staying for the stay of the s man economy was heading for a crisis similar to that faced by the UK in the early 1980s, he

The Japanese economy had

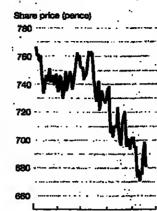
hit the trough, he felt, but the north Pacific markets continued to boom. Gases and related products

reported operating profits up from £144m to £154.1m on turnover of £1.13bn (£1bn). Mr Rich said demand for liquid gases was up, hut demand for cylinders was static. Prices and margins for the husinessas remained stable.

Operating profits at the healthcare division increased from £48.2m to £54.9m on sales of £303.5m (£255.6m). The fig-ures masked a deterioration in sales during the second quarter, following the expiry of the US patents of Forane, the group's best-selling anaesthetic at the end of January.

Mr Rich said a tough and professional battle was emerging between BOC and Ahbot. the US group which had launched a generic version of

Headline prices had fallen between 10 per cent and 15 per cent, and data from IMS, the market research company, suggested BOC had lost 12 per cent market share by value. Before the expiry It held 70 per cent of the market, according to analysts. Sales of Suprane, BOC's replacement product, had been held up hy a fire which had disrupted supplies,



COMMENT

The company's gloomy fore-casts for growth suggest that progress must come from costcutting and the healthcare business. However, the rapid loss of market share in the US by the highly-profitable Forane has been faster than analysts' expectations, while the take-up of Snprane has been slower. The next two quarters will be crucial. With the industrial side held back and the healthcare husiness struggling, there appears to he little about

Sedgwick slips in opening quarter

FIRST-quarter pre-tax profits from the Sedgwick Group of insurance hrokers came to £40.7m, compared with £41.5m

Mr Sax Riley, chief execu-tive, said the difficult market conditions continued, hut there were indications that rates were hardening in some areas of husiness in the US. In London there were sub-stantial rates increases in areas such as aviation, oil and gas, and marine hull business, but there was a marked con-traction in the size and capacity of the market.

For the three months to March 31 hrokerage and fees rose 3 per cent at constant exchange rates. There was strong growth in

continental Europe and Asla Pacific broking operations, in Sedgwick Payne in the US and in consulting worldwide. Lower interest rates in the US and UK led to a 27 per cent

drop in investment income. hnt the profit benefited hy £5.1m as a result of currency management activities and weaker level of sterling. Earnings per share for the period worked through at 6.7p

balf 1992-93 pre-tax profit from £427,000 to £532,000.

By Charles Batchelor

to small firms.

£250,000 and £5m.

PLANS for a market in bonds

issued by small and medium-

sized unquoted companies

have been launched by the Capital Exchange, a small com-

pany which is attempting to increase the supply of capital

Companies which have been

trading for at least three years

would be able to issue what

would be known as SME (small

and medium-sized enterprise)

bonds for amounts of between

Capital Exchange hopes to

launch the Private Syndicated

Funding Scheme later this year, but will have to obtain

approval from the Securities

The scheme is intended to

After a slow start the automotive and electronics distrihution group showed the beginning of an improvement m December.

This had continued to date with sales from continuing husinesses 2 per cent ahead of

H Young improves to £532,000 H YOUNG Holdings lifted first hudget and 8 per cent up on

smaller companies which face

the prospect of the possible clo-sure of the USM and the end-

ing of the Business Expansion

Scheme at the end of this year.

Exchange launched the Capital Exchange Gazette, a bi-monthly magazine intended to

husinesses seeking finance and

private investors and larger

companies looking for invest-

The magazine has 400 sub-

scribers, but Capital Exchange

hopes to increase this to 50,000

within three years. The gazette

is aimed at companies seeking

hetween £5,000 and £250,000.

The bond scheme is for comps-

The honds of companies

nies wanting larger amounts.

ment opportunities.

In January the Capital

fund-raising initiative

make capital available to which pass the audit and man

last year. All divisions were Mr John Wilson, chairman, said the increases were mainly attributable to the introduction of new products, although the 'patchy improvement" in the economy was showing in higher sales and orders in the

Overall turnover in the six months ended March 31 1993 came to £16.3m (£15.6m) and the operating profit to £749,000 (£638,000) with continuing husinesses accounting for £766,000

through at 2.15p (1.72p) and the interim divideod is held at 2p. last three months, mainly in

Concentric profits expand to £4.35m

CONCENTRIC. Birmingham-based engineering and components group, raised pre-tax profits from £3.52m to £4.35m in the six months ended March 31 1993..

Mr Tony Firth, chairman, said hopes that difficulties in continental European markets would be mitigated by the September devaluation of sterling had not been fulfilled "as smoothly as had been hoped". The reasons were customers' resistance to price increases,

rises in the costs of raw materials and the severity of the "collapse" in European mar-Turnover on continuing operations rose to £60.7m (£58.7m) of which 28 per cent

was exported. Margins improved by a fifth to more than 7 per cent. More than half of turnover serves the automotive industry. The group had been somewhat protected from the car industry's downturn because it

Concentric Pumps, which supplies oil and water pumps to diesel engines, was the big-gest single contributor to sales after "prohlems a couple of years ago" had been resolved. Sales of satellite dishes were

poor, partly for cyclical reasons. A stock adjustment was in progress because of changed technical standards. Concentric Controls, which makes components for tha domestic gas supply industry, including valves undar the control knobs on gas cookers, was doing "quite well", the

tection equipment maker. A sales and support office was opened in Mexico last year making a total of four over-

The group was cash positive" following last year's £12.5m rights issue. Capital expendi-ture so far this year, mainly on buildings, was already more than the £4.5m spent last year. An unchanges interim dividend of 1.77p is declared out of

NEWS IN BRIEF

AMINEX has raised £69,000 from a placing for cash of l.19m sbares at 5.85p per share. They were placed with East West Oil and that company will have an interest of 9.1 per

BONDGROWTH has declared ments unconditional after receiving valid acceptances for 99.05 per cent of the voting

BRIDPORT-GUNDRY, the medical, aviation and defence products company, is selling certain assets and trade of J&W Stuart to its management for £300,000 cash. Further consideration up to £150,000 relates to dehtors and stock. Stuart, which makes and sells fishing trawls and supplies fishing gear, made pre-tax profits of 250,000 in the year to July 31

BROWN SHIPLEY: GPG has received valid acceptances in respect of 86.3 per cent of the voting capital. The offer

remains open.
BUCKINGHAM INTERNA-TIONAL: Acceptances by the

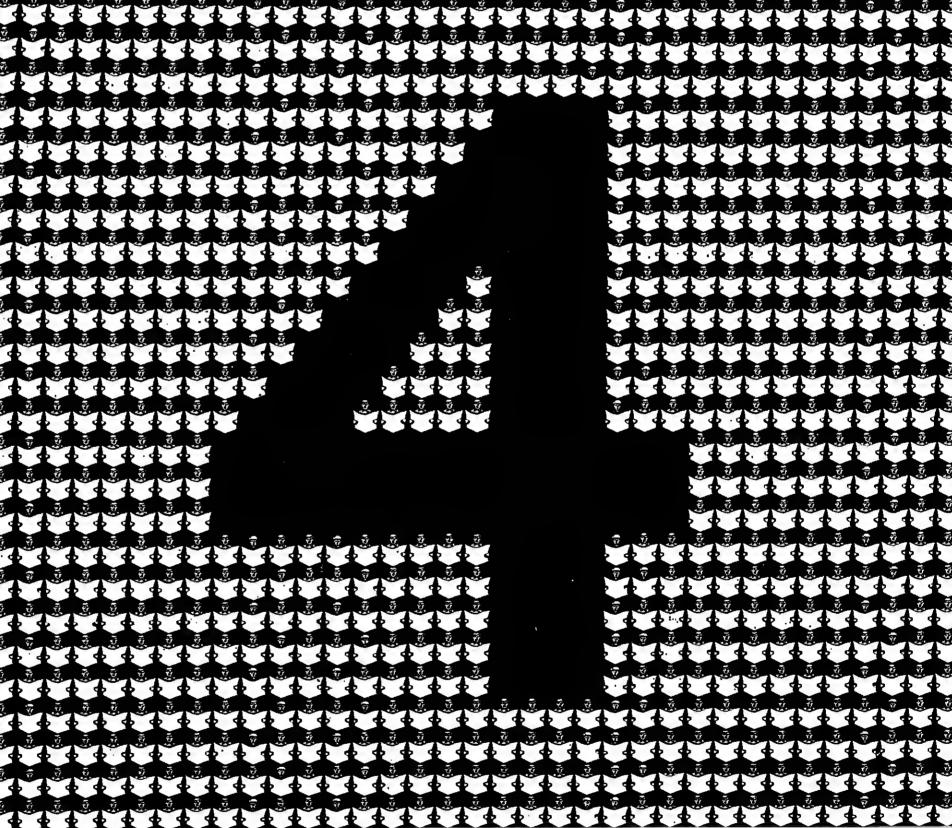
fourth closing date in respect of the offer from Purlieus amounted to 71.99m shares (59.7 per cent) and £17.2m in respect of Buckingham loan stock (52 per cent). The ordinary offer has already been declared unconditional and nary nor loan stock offers would be extended.

CAIRN ENERGY has declared its offer for Teredo Petroleum unconditional. Acceptances totalled some 57.5 per cent of

changed its name to Magellan KIS GROUP rights issue has

warrant for every five ordinary

chairman said. It bought Lang-don Kingsway, a small fire proearnings of 5.63p (5.38p).



On-line

Information on 600 sites and premises countywide, at the touch of a button.

To find out more about the advantages of locating your husiness to Lincolnshire please call us on 0522 552250 or fax 0522 560376.

BRITANNIA BUILDING SOCIETY

£125,000,000 Floating Rate Notes Due 1995

given that for the three interest period from (and ag) 18th May 1993 to (but 18th August 1993 the ill carry an interest rat 6.225 per cent, per ani interest paym will be 18th August 1993. The coupon amount per £10,000 will be £156.90 and per £100.000 will be 1 569.04 payable again ender of Coupon No: 18. Hambros Bank Limited

Particular of the Control of the Con 102 member 102 member

The Financial Times is read by four times as many senior European businessmen and women as any other international newspaper.

In marketing and sales, in imports and exports, FT readers make the decisions on far more than finance.

If you'd like to know more about advertising to Europe's decision makers in Europe's business newspaper call Ben Hughes in London 71-873 4797. *EBRS 1991.

FAR MORE THAN FINANCE.

Capital Exchange launches

said, companies would he expected to make divideod pay-Information on bond-issuing companies would be included in the magazine and Capital Exchange would encourage

makes parts for a range of automotive products from trac-

the capital.

CELESTION Industries has

been taken up as to 91.4 per HEADLAND Group rights

taken up by 97 per cent. Balance placed at 136.5p per share. MARTIN CURRIE Pacific Trust is proposing a 2-for-1 scrip and a warrant issue. They are to take effect on the same day, which means that shareholders will have ona

entent is asserd in compliance with the requirements of the International Stock Exchange of the United Kingdom and This advertisement is issued in compliance with the nequirements of the International Stock Exchange of the United Kingdom and Ireland Lumined (the "London Stock Exchange"), it does not constitute an invitation to the public to subserble for or purchase securities. Application has been made to the London Stock Exchange for the whole of the existing usued share capital of Drew Scientific Group PLC (the "Company"), together with the new ordinary shares of 1p each in Drew Scientific Group PLC to be issued pursuant to the Placing to be admitted to the Official List of the London Stock Exchange, it is expected that admission will be admitted to the Control of the



SCIENTIFIC

GROUP PLC

rated and Registered in England and Wates No. 280(824) PLACING BY

Close Brothers Limited

OF 6,990,000 ORDINARY SHARES OF 1P EACH AT 105P PER SHARE

Listing particulars relating to the Company are available for collection during normal busine hours on 20th May, 1993 and 21st May, 1993 from the Company Armouncements Office of the London Stock Exchange, London Stock Exchange Tower, Capel Court Entrance, off Barthulower Lane, London EC2 (by collection only) and on any weekday (Saturday and public holidays excepted) up to and including 3rd June, 1993 from:

CLOSE BROTHERS LIMITED 36 GREAT ST. HELEN'S

DREW SCIENTIFIC GROUP PLC 12 BARLEY MOW PASSAGE

CREDIT LYONNAIS LAIM S APPOLD STREET

THIS ADVERTISEMENT HAS BEEN APPROVED BY MORGAN STANLET INTERNATIONAL, A MEMBER OF THE SECURITIES AND FUTURES AUTHORITY, SOLELY FOR THE PURPOSE OF SECTION

19th May, 1993

Fenner passes interim as exceptionals bite

By Andrew Baxter

FENNER, the Hull-hased industrial group which last month revealed "indications of interest" in the company, is passing its interim dividend and undergoing a further pro-gramme of disposals and rationalisations among its smaller businesses.

The diversified producer of power transmission equipment, industrial conveyer belting and fluid power products announced that pre-tax profits in the six months ended February 28 fell from £2.28m to £105,000, on turnover down

slightly from £97.7m to £97.2m. The decline in profits partly reflects a net exceptional charge of £1.4m. Redundancy and rationalisation costs of £1.8m, and £1.2m of professional fees associated with an aborted merger, were offset by a £1.6m profit on the sale of the Fenner Industrial Controls business in the US.

After minority interests, and higher overseas tax charge of £1.7m - previous tax losses in the US have now been absorbed - there was a loss attributable to shareholders of pared with profit of £174,000 or 0.41p a share a year ago. The



Peter Barker: Fenner had come very close to a merger

interim dividend in 1991/92 was

1.7p per share. Mr Peter Barker, chairman, would not give any further information about the recent hid approaches, hut did say that Fenner had previously come "very close" to a merger that would have benefited shareholders.

The aborted merger talks, and the uncertainty over the future of the UK coal industry had been major factors in Fenner's first-half performance, where a further decline in demand had been the back-

Share Offer over-subscribed.

325,000 Spanish retail buyers.

Offer increased from 28 million

to 31.3 million shares.

ground to trading.

Demand from British Coal for Fenner's conveyer belting had fallen by one-third year-on year in the first half. But Mr Julian Bigden, group managing

director, said Fenner had managed to offset some of the decline with increased over-seas business, and had letters of intent to sell belting to the In the power transmission

husiness. UK demand had been affected severely by trading conditions, although Mr Bigden said there were signs that it was picking up. But continental European markets for power transmission products were worsening.

Fermer has cut 240 jobs in the financial year to date, reducing the total workforce to 3,800. Mr Bigden said the planned rationalisation programme was "a cleaning-np exercise" of underperforming operations which would simplify the company and increase UK profits through a further reduction in costs.

Mr Barker, who has been Fenner's chairman since 1982 and saw off the bid from Hawker-Siddeley in 1981, is retiring. Sir James Cleminson will be acting chairman until Mr Barker's successor is announced.

Northern Ireland **Electricity** makes £56.6m

By David Lascelles, Resources Editor

Ireland NORTHERN Electricity, the Belfast-based utility which is to be privatised next month, made an operating profit of £56.6m on turnover of 452.4m in the year to March 31, according to the pathfinder

prospectus issued yesterday.

This compared with £15m on £433.5m in 1992 and £44.1m on £403.6m in 1991. But the prospectus warns that comparisons are misleading because of the restructuring of the Northern Ireland electricity industry that occurred in 1992.

Restructuring costs also accounted for the low result in

The bulk of the 1993 result came from the transmission distribution husiness which contributed £49.3m. But the company made a

£5.1m loss on its appliance retailing business. In its latest financial year, NIE paid a total dividend of £16.5m. The directors say that they intend to adopt a "pro-gressive" dividend policy which, all being well, should

produce an increase in real The pathfinder reveals that the government will be taking £70m of the £85m of cash currently in NIE's balance sheet

as repayment for earlier injections into the company. The government, which will retain a special non-voting share, will also have the right to half of any capital gains on asset sales made by the company over a

ten-year period. The NIE issue, which is expected to value the company at between £300m and £400m will be priced on June 3. Applications for shares must be in by 10am on June 16.

The basis of allocation will be announced on June 21 and dealings are expected to commence at the same time.

wa

deve

The government is hoping that up to two thirds of the shares will be bought by retail investors. People who register by June 1 will be entitled to one free share for every ten they hold for three years. NIE customers will have the alternative option of electricity vouchers. Over 600,000 people have registered so far.

Payment for the shares will be in two instalments, the first on application and the second on June 28 1994. NIE is the last of the

state-owned non-nuclear electricity companies to be privatised. Unlike regional companies in England and Wales, it is also in the transmission business, and it has a different

Drew Scientific placing gives £25.2m valuation

By Richard Gourlay

SHARES IN Drew Scientific, maker of diagnostic medical equipment, have been placed at 105p, valuing the company, which will begin trading next

Monday, at £25.2m. Close Brothers placed 6.99m shares - 29.1 per cent of the shares now in issue - raising £3.4m net for the company and £3.68m for existing sharehold-

Directors and their related interests hold 47.7 per cent of the enlarged capital after the

Drew's main product is the

Glycomat, which uses consummatography packs in the management and control of diabetes, one of the world's

noiogy could be adopted to belp tests for kidney failure

Drew is not making a profits forecast. However, based on current production of about 40 machines a month, and the sales of the high margin consumables packs, some brokers say that at 105p, Drew is on a prospective earnings multiple

forecasts small loss

CHIEFTAIN Group, the USM -quoted supplier of specialist insulation ands fire proofing services, yesterday forecast a small loss for 1993, as a result of the receivership of Swan Hunter Shipbuilders. The

shares fell 10p to 59p.

The directors said that the company was "in negotiation with various parties in an attempt to improve upon this

The shares were placed for cash at a price of 121½p, representing the mid-market quotation at close of business last

Sport stake raised in Birmingham City

increased its stake in Birmingham City Football Club to 1.25m ordinary shares, equiva-lent to 83.3 per cent of the

This follows an unconditional cash offer for the First Division club which received acceptances from 13 persons, together disposing of 15,375 shares (1 per cent).

Prior to the offer, which closed at 3pm on May 14, Sport Newspapers held 1.24m shares.

50% of Aberdeen

Pittencrief yesterday said it had acquired further shares in Aberdeen Petroleum to bring

most common diseases. The company says the tech-

and to screen cancer.

of about 17.

NEWS DIGEST

Chieftain

position".

They said that the company was continuing to trade profit-ably and it expected to report a

profit in 1994. In 1992 pre-tax profits fell sharply from £1.06m to £613,000, reflecting pressure on margins and reduced demand. There were also delays in contract completions.

Ramco Oil placing to cut borrowings

Ramco Oil Services, the Aberdeen-based energy services company, has placed, through Greig, Middleton & Co., 800,000 new ordinary shares of 10p each with a group of US investors and a UK institution.

Sport Newspapers, which publishes the Daily and Sunday Sport newspapers, has

Pittencrief has over

its total holding in the com-pany to 25,778,496 shares, approximately 50.4 per cent of

Aberdeen Petroleum's issued share capital. tional 766,666 shares was 17p each, Pittencrier's cash alternative offer for each Aberdeen

Misys unable to agree terms

Misys has terminated its talks with Burns Anderson Independent Network (BAIN) as it has not been able to agree terms. In January, Misys announced that talks were on with a view to acquiring BAIN.

Hartlepools Water marks time

Hartlepools Water turned in pre-tax profits for the year to March 31 marginally lower at £1.22m against £1.24m for 1991-92. Turnover was a little better at £5.31m compared with £5.09m.

Mr Jeremy Ropner, chair-man, said that trading conditions were difficult throughout the year, but said the outlook for the current year appeared to be a little more promising. With a lower proportionate

tax charge, earnings go np from 117p to 128p per share and the proposed final dividend is 33p (29p) to make a total of 55p (50p).

Narborough hit by exchange differences

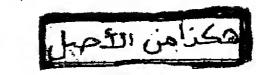
Narborough Plantations' pre-tax tax profits fell from £176,000 to £102,000 in the six months to December 31. The culprit was the exchange rate; the difference on exchange in tha first six months was a loss of £26,000 against a profit of £82,000 An interim dividend of 0.5p

(same) has been declared; pretax earnings were 0.76p (1.32p)

per share. 17% asset rise at **Baring Stratton**

At March 31 1993 net asset value of Baring Stratton Investment Trust stood at 215p. a 17 per cent improvement over the 183p of 12 months ear-

Revenue totalled £960,000 for the year, against £792,000. There was a special dividend of £120,000 from Tennants Consolldated, an unlisted investment Net revenue was £427,000 (£288,000) for earnings per share of 3.39p (£28p). The dividend is raised to 2.29p (1.7p).



relan -

Chile's success is equated with high growth and hefty capital gains – policymakers now seek to scale down expectations without losing investor confidence. Although the country has not yet achieved full democracy, the December elections may prove a landmark. Leslie Crawford reports

A watershed in economic development

NINE years of consecutive growth, topped by the best overall performance in Latin America last year, have brought Chile to a watershed in its economic development.

in its economic development.

The country which ploneered so many of the reforms now galvanising Latin America—the export-led strategy for growth, privatisation, debt-equity swaps and private pension funds—is now confronting the limitations of its chosen model of development and the soctal and environmen-

tal costs of success.

Politically, too, 1993 will be a landmark. Presidential and congressional elections in December will restore the democratic succession broken by the 1973 coup which toppied the late Dr Salvador Allenda,

President Patricio Aylwin, elected in 1989 after 16 years of military rule, will have thus fulfilled his main ambition: to revive Chile's democratic institutions and bequeath power to an elected successor.

Economic continuity undoubtedly played a role in Chile's smooth transition from dictatorship to democracy. But without Mr Aylwin's negotia-

ting skills and the cohesion of his government, Chile would not be basking in the prosper-

ity and political stability it

enjoys today.

So stable is it that seven months ahead of general elections it is already a foregone conclusion that the ruling coalition, the Concertación, will form the next government and that Senator Eduardo Frei, a Christian democrat like Mr Aylwin, son of a popular statesman of the 1960s, will be Chile's next president.

The country's economic fortunes are less easy to predict.

The days of exponential export growth and huge capital gains are prohably over.
Finance ministry officials are predicting that Chile will feel the pain of the international recession this year.

Export revenues are expected to grow by a "modest" (in Chilean terms) 7 per cent in 1993 to about \$10.6bn, compared with almost 12 per cent in 1992. Traditional exports—copper, fish meal and cellulose—are being hit by a slump in international commodity prices:

affected Chile's cellulose producers in particular, they had recsntly invested more than \$1.5hn in new state-of-the-art pulp mills. Most of the mills are currently operating at a loss. Further expansion plans have been shelved.

The \$1bn-a-year fresh fruit business, where exports have doubled since 1987, is facing trade barriers in Europe and stiff competition from other southern hemisphere producers such as Argentina, New Zealand and South Africa.

Fedefruta, the fruit growers association, says it is exporting apples and kiwl fruit to the European Community this year at a "suicidal loss". It has called for s halt in shipments.

The most dynamic area of

called for s halt in shipments.

The most dynamic area of export growth - an eclectic mix of manufactured goods and new products such as jeans, shoes, wine, fresh salmon and exotic flowers - is finding competition harder as a result of a 12 per cent revaluation of the peso since 1990.

There are signs that export.

There are signs that exporters are already adapting to the tougher international environment by introducing new technologies and paring down costs.

Mr Joaquin Vial, chief economist at the finance ministry, says that much of the 30 per cent increase in private sector investment last year went into modernising plants and improving productivity.

improving productivity.

Despite the diversification of Chile's exports, the global recession has exposed the vulnerability of the export-led model of growth. Exports now account for almost 30 per cent of GDP, but more than 70 per cent of foreign earnings are still commodity-based, and sensitive to the vagaries of internetional prices.

Economists, however, see no alternative course for small countries such as Chile. "We either pursue export-led growth or no growth at all," says Mr Vial. This explains the importance Chile attaches to trade liberalisation, whether through multilateral forums such as the General Agreement on Tariffs and Trade, or bilateral agreements. Chile has signed free trade accords (FTAs) with Mexico and Vene-



our 1993 will be a landmark. Presidential and congressional polis in December will restore the democratic succession broken by the 1973 coun

zuela, and hopes free trade negotiations might soon begin with the US, its biggest trading

"An FTA with the US would be our insurance poilcy against trade wars if the international environment deteriorates," argues Mr Vial.

Following last year's 10.4 per cent growth in GDP, which now horders \$40bn, Chile's autonomous central bank is planning a soft landing for the economy. "Such exceptional rates of growth are not sustainable over time," says Mr Roberto Zahler, the bank's president.

But shifting economic gear

will require an important change in Chilean husiness culture. Bankers and entrepreneurs have grown accustomed to annual 30 per cent returns and more on assets. Stock prices in 1991 more than doubled in value.

Santiago's wealthy suburbs

are sprouting luxury condominiums and crawling with expensive imported cars. Yuppies are alive and well in Chile. In the minds of Chile's business elite, success is equated with high growth rates and hefty capital gains.

This creates a problem for Chile's policy makers, who must now try to scale down expectations without provoking a loss of investor confidence. The central bank's president has scolded Chileans for being manic-depressives: a good economic year caused euphoria and self-adulation. hut a single poor indicator was enough to plunge the entire establishment into terminal depression. He called for a more realistic assessment of Chile's strengths and shortcomings.

The strengths arise from a consensus, now deeply ingrained in Chilean society, on economic fundamentals: the need to preserve macro-economic balances, to curb inflation, to keep government spending in check.

The most heated discussions revolve around regulation, environmental protection and how to alleviate the poverty that still engulfs 4m Chileans - one third of the population. Chile should have a new capital markets law before the end of the year. Mr Alejandro Foxley, the finance minister, calls

it the "deepest and most complete reform to the domestic capital markets" since the

early 1980s. The law, which will widen the investment horizons of Chile's private pension funds and insurance companies, also includes tighter rules to prevent insider trading and other conflicts of interest. These provisions are botly opposed by the financial community Bankers are protesting against what they perceive as excessive regulation and the government's reluctance to sanction new lines of business - such as foreign branches, pension man-

agement and life insurance.
Environmental issues are also climbing up the political agenda as the Aylwin administration makes incipient attempts to protect natural resources from excessive exploitation. The challenge here is not implementing legislation, but enforcing it.

Conaf, the forestry commission, says it would need an army to police Chile's 7m hectares of virgin forests against the predatory action of woodchippers (exports up 38 per cent last year to 3m tonnes).

Fishing fleets resent the frequent hans imposed to safe-guard stocks. Mining smelters are only now being forced to implement clean-up plans, and Santiago's reviled buses prefer

to go on strike rather than convert to cleaner fuels.

Poverty alleviation has been a main concern of President Aylwin's government. Tax reforms in 1990 raised an extra \$800m in fiscal revenues to finance social projects: low-cost bousing, health clinics, primary schools. Real wages have risen by 12 per cent since 1990 - and the minimum wage by 38 per cent in real terms, Pensions and family benefits have been improved.

The government's social programmes, however, are in jeopardy. Mr Foxley bas warned congressmen that if the present tax regime is not upheld, the unpopular task of cutting \$800m of social expenditure from the 1994 budget will be their responsibility.

their responsibility.

There will be other political battles this year. Government attempts to reform the judiciary are far behind schedule.

The judiciary is arguably the weakest link in Chile's new

democracy - a Byzantine institution tainted by corruption and negligence in the defence of human rights. The government wants to dilute the power of Pinochet appointees to the supreme court by expanding the number of chief justices. It bas also promised more resources and better pay to overworked magistrates, some of whom bandle upwards of 5,000 cases at a time.

Still pending are the length of the next presidential term - eight years if the constitution is not changed - and the electoral system, which heavily over-represents the right-wing opposition. The government bas linked the two reforms in congressional debates.

The government failed earlier this year to get an important package of constitutional reforms through congress. One important change would have abolished the nine non-elected senste seats (these senators were chosen by General Pinochet before he stepped down, to deprive the Concertación of a majority in the upper house); another reform would have devolved the president's power to sack commanders-in-chief of

the armed forces.

The reforms failed hecause they struck at the heart of General Pinochet's political legacy. And while the Concertacion is committed to getting rid of the authoritarian fetters written into the military's 1980 constitution, the right defends the charter as Pinochet's proudest achievement.

General Pinochet's power is also felt in the long arm of military courts (these can prosecute civilians for "offences against the armed forces", a crime as broad as it is vague), and in the impunity army officers enjoy against the buman rights violations of the dictatorship. "We are far from having a full democracy," President Aylwin admits, reviewing his three years in office.

But however far from perfect, Mr Aylwin's tactful handling of the armed forces has eliminated the threat of another military coup. It will be the task of the next political generation to heal the wounds of the past.

IN CHILE, EVEN BASE METALS CAN BE TURNED TO GOLD.



From the massive base metal exports to the booming agriculural sector, there are a wealth of opportunities within Chile.

But you need a partner with

in-depth local knowledge and the ability to respond quickly.

HongkongBank has a unique experience of over a decade in Chile, specializing in trade finance. Offering fast and effi-

cient processing of transactions throughout Chile to the business world beyond.

And, as a principal member of the HSBC Group, we have the support of the Group's network of over 3,000 offices in more than 60 countries worldwide. All linked by advanced telecommunications systems for instant information and a fast response.

To find out more, contact our Chile Main Office at Agustinas 604, Santiago, Chile, Tel: (2) 639 7535; or your nearest HongkongBank or Midland Bank office.

HongkongBank

Fast decisions. Worldwide.

The Specialists to Spain and Latin America.

From Heathrow, Stansted, Manchester and Dublin.

Direct daily flights to all major cities with onward connections to a further 23 destinations in the rest of Spain, as well as 21 cities throughout Latin America.

And with Iberia Plus, members can now earn points in both Economy and Business Class, to enjoy a range of benefits including our free parking service.

For reservations call 7 days a week on: 071 830 0011 • 021 643 1953 • 061 436 6444 • 041 248 6581

Iberia Plus Service Centre FREEPHONE 0800 900777 five days a week.



IBERIA B

KEY FACTS

THE ECONOMY

Soft landing is planned for this year

ON A recent visit to Santiago Mr Hans Tietmeyer, vice-president of the Bundesbank, thought his Chilean hosts had misplaced the decumal point in their economic stabilics.

GDP growth of 10.4 per cent in 1992? Private-sector investmeot up by 30 per cent? A 12 per cent increase in export revenues? Surely this was not possible in a global recession.

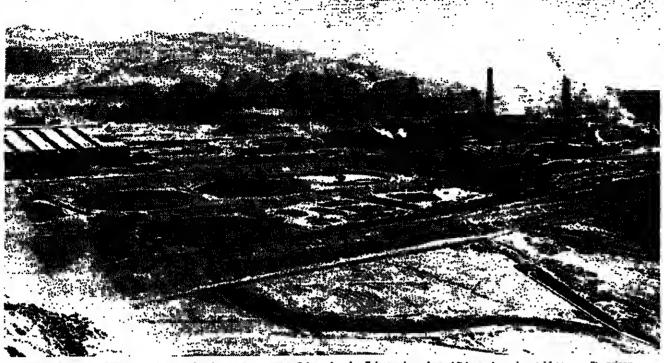
As Mr Tietmeyer was soon to discover, 1992 was Chile's best economic year in three decades. Growth was spurred by unprecedented investment outlays in Chile's export industries, a construction boom in Santiago, and government infrastructure projects. The country's gross domestic product is approaching \$40bn, while per capita income reacbed \$3,000 last year

Fiscal discipline allowed the government to match record levels of economic growth with falling inflation. In three years, finance minister Alejandro Foxley's firm grip on the purse-strings of the treasury has doubled the government savings rate to 5.6 per cent of

Over the same period, the annual rate of inflation dropped from almost 30 per cent to 12.; per cent at the end of 1992 Like Mr Tietmeyer Mr Roberto Zahler, president of Chile's autonomous central bank, distrusts double digits. "The economy ast year was nor overheated. Out such exceptional rates of growth are noi sustalnaole over time 'ne

Mr Zahler aims to engineer a soft tailoing for the Chilean economy this year, interest-rate increases in the second half of 1992 and a slowdown in Chile's export sector should moderate economic growth to an optunal 5 to è per cent in 1993, according to central bank forecasts. Meanwhile, the strong investment momentum generated by the private and poone sectors should lay the foundation: for future 😅 🗫 🖒

The most important change Caue will see this year is in its external accounts, Imports are growing at twice the rate of exports This will probably wipe out the trade surplus this year and widen the current account deficit to around



\$1.5bn, or 4 per cent of GDP. Economists. however, are not alarmed by the 25 per cent rise in imports. "Most imports are going into real bricks-andmortar investments," says Mr Armen Kouyoumdjian, a uusiness consultant. "And with \$10bn in foreign exchange reserves, there is no danger of a balance of payments crisis." In addition, foreign direct investment, concentrated mainly in the mining sector. continues to flow into Chile, to the tune of \$1bn a year.

However, there are signs that the Chilean economy, as it approaches full capacity and near full employment, will have to adjust to lower rates of

Chile will feel the pain of the international recession this predicts Mr Joaquin Vial, chief economist at the finance ministry. The consmy's traditional exports - copper, üshmeal and cellulose have been hit by a slump in world commodity prices, while the appreciation of the Chilean peso is hurting the \$1bn-a-year fruit industry and the dynamic non-traditional exports - jeans and shoes, biotechnology, wine

from the Central Valley, and fresh salmon from the southern Lake District.

Most economists predict that export revenues will rise by 7 per cent at most in 1993, to about \$10.6bii, compared with growth rates of 12 per cent and

produced political tremors in

Santiago. Chile had put a lot

into its relationship with Pres-

ident George Bush, who prom-

between the US, Mexico and

There were widespread fears

focus un domestic issnes,

would turn its hack on Latin

America or even pursue a

more protectionist line with

Its neighbours. Gains for Chile

from Mr Bush's 1990 Enter-

prise for the Americas Initia-tive, covering debt, trade and

In the event President Clin-

investment, could be at risk.

Canada.

r Bill Clinton's US

presidential election

victory last November

above over the past five years. The other question-mark hanging over economic policy is whether Chile's monetary authorities have any leeway to further reduce inflation, Last year, it was curbed by five points to 12.7 per cent, thanks

to a hefty revaluation of the peso, interest-rate hikes and fiscal austerity. This year, the central bank's target is to trim the figure to 11 per cent. But even this modest reduction seems ambitious, given the widespread indexation of

pressures, and the central bank's reluctance to hurt exports with a further revaluation. In addition, this is an election year, and, despite vigorous denials, the government may be sorely tempted to relax the reins on government

Against this backdrop, Mr Foxley's greatest battle this year will be to persuade Congress to maintain the present levels of taxation. When President dent Aylwin took office in 1990. Congress approved tax increases for a four-year period to finance greater social spending. The tax reforms expire at the end of 1993, and Chile's vociferous husiness community is lobbying for a return to the pre-1990 corporate tax rate of 10 per cent, against 15 per

cent at present. Mr Foxley argues that to ower taxes now would unleash dangerous inflationary pressures on the economy. It would also deprive the government of an estimated \$800m in annual revenues. If the right-wing position blocks an extension of the current tax rates, Mr Foxley has warned congressmen that the unpopular task of axeing social programmes from the budget will rest on their

Leslie Crawford

756.946 sa ka 13.4 million (1992 esth President Patriclo Aylwin Head of State Peso (PS) Currency 1991 \$1 = PS349.4 Average Exchange Rate 1992 \$1 = P\$362.6 ECONOMY 31.3 Total GDP (Sbri 6.0 10.4 Real GDP growth (%) 2,338 2,840 GDP per capita (\$) Private Consumption 18.8 9.6 n.a. **Government Consumption** 35.8 Exports.. -30.9 Consumer prices 21.7 15.4 (% change pa). 15.4 5.9 (% change pa).. erves minus gold: 9.2 (Sbn. year end) 28.6 M1 growth (% pa) 22.3 18.3 Deposit rate: (% pa, avg). **Current Account Balance** 10.0 8.9 Exports (\$bn) 7.3 1.6 9.3 0.7 Imports (Sbn). Trade Balance (Sbn) 18.4 Total external debt (\$bo) 17.4 15.4 Debt service ratio (%)... Main Trading Partners: Imports 8.4 (1991, % by value)... Exports 17.6 20.6 6.5

Notes: " = Q3 figure Sources: IMF, World Bank, Datastream Economist Intelligence Unit

Nafta membership remains a goal, reports **Ken Warn**

A diversified trade pattern

ised in May 1992 to negotiate a free trade agreement with ton reaffirmed his predeces-Santiago upon successful consor's stance on Chile, while Mr clusion of the Nafta talks Ron Brown, the commerce secretary, said in April he hoped that the Nafta would be the "first huilding block" of a hemisphere-wide free trade that an incoming Clinton administration, pledged to

However, amid the sighs of relief, the government has been at pains to cool hopes of rapid progress towards an FTA. "Chile bas a very diverslfied composition of trade, about one third to Europe, one third to the US and one third to Asia," says Mr Alejandro Foxley, the finance minister.

term, an FTA is not really essential to our trade strategy. We will pursue an FTA with the US without any sense of urgency, hut with determina-tion," he adds.

Even if a deal is reached, it is unlikely to lead ro a dramatic increase in trade with the US, already the country's higgest trading partner. Chile bas relatively low barriers to imports, with a uniform tariff rate of 11 per cent for most produce, and a welcoming attitude to foreign investment.

However, an agreement ould reassure investors and act as an insurance policy against a drift towards a more protectionist stance by Wash-Ington.

The government likes to emphasise that the costs to the Chilean economy would be Chile if it liberalised in this minimal. But it would not necessarily be painless for Chile. One of the higgest obstacles for Washington to a trade agreement is Chile's protected

agriculture sector. Wheat, veg-

etable oils and sugar imports

Local producers want to have price banding extended to a larger number of staples

are levied with duties aimed at maintaining a minimum domestic price for local pro-

"Bread and sogar are twice the price they should be," said a US diplomat in Santiago. "This is a subsidy borne on the backs of the poor. The US area." However, local producers are pressing to have the price banding extended to a larger number of staples.

The system also reduces the force of Chile's complaints about European Community trade barriers - fruit growers face an average 18 per cent duty on exports to the EC and a bumper European apple crop has produced curbs on Chilean

Nonetheless, Chile's government has lambasted the EC, especially France and Germany, for foot-dragging on farm trade in the General Agreement on Tariff and

Trade talks. The timetable for talks with the US is undefined, but agreement is unlikely this year, with the Nafta talks continncould sell \$100m of wheat to lng. In the meantime, Chile larly Brazil."

has been vigorously pursuing bilateral agreements with its more like-minded neighbours. This April Chile signed a free trade pact with Venezueia aimed at eliminating import tariffs on 90 per cent of goods by January 1997.

A similar deal signed with Mexico in September 1991 produced an 80 per cent increase in Chilean exports to Mexico last year, to about \$80m. Negotiations with Colombia are "well advanced," says Mr Joaonin Vial, chief economist at the finance ministry.

"Most of Chile's export growth in the past two years has come from Latin Amerlca." Mr Vial says. However, the government has fought sby of joining any of the region's emerging trade blocks, such as Mercosnr, which groups Brazil, Argen-

tina, Uruguay and Paraguay.
"The experience with broader integration has not been so good," says Mr Vial. There is still too much instability in the economies of the Mercesur countries, particu-

BANKING

Regulation inhibits ambition

CHILE'S banks are not short of amhition. Some in the industry are pressing for the lifting of curbs on their domestic and international activities, with the aim of becoming a regional banking centre on the Swiss

Whether the government will allow the banks to fulfil these amhitions is another question - not least because the central bank is still left with a tab of almost \$4bn from bailing out the banking system a decade ago. Chile's banks feel they are at

a disadvantage in the region because of the restrictions that banking regulators place on their ownership of other companies, and on the setting up of branches and issuing of loans ahroad

"Our natural sphere of influence is Latin America," says Mr Hernan Sommerville, vicechairman of the Chilean Association of Banks. "We want to go international. But we are allowing other banks in ths region to position themselves at our expense. Every day that goes by is a wasted day," he

"The crisis of the 1980s has made our regulators cautious. But we came out of that crisis with a very solid banking system. If Chilectra and other industrial companies can buy companies in Argentina, then why can't we?" asks Mr Som-

On the domestic side, the hanks want a share of the lucrative pensions and insurance husinesses, and to undertake activities such as factoring and securitisation. Banks are allowed to sell pensions and insurance only through subsidiaries. The real prize for them would be the freedom to sell sucb products directly through their extensive branch networks.

The banks are also facing challenges from other financial institutions on their own turf. with customers able to open savings accounts through the pension funds.

The majority of Chile's 14 domestic banks, including the two biggest, Banco de Chile and Banco de Santiago, are still indebted to the central bank. Imprudent lending, par-ticularly complex networks of inter-group loans, pushed the financial system over the brink

in 1983. The central bank was forced to assume the banks' non-performing loans as the price for keeping It going.

Debtor banks are now constrained to hand over 70 per cent of after-tax profits to pay off this so-called subordinated

debt, which produced a total

Daniel Tapia, adviser to the board of Banco BICE, a small

Chile's banks, which experienced decreasing profitability after posting strong gains from non-operational activities such as debt-equity swaps in the late 1980s, bounced back last year

next 50 years."

payment to the central bank of boutique bank which did not about \$209m last year

The present situation on the subordinated debt creates a disincentive to make profits." said a Santiago diplomat. "If a bank has to hand over most of its profits to the central bank, then It's tempting to find something else to do with the money - such as building a state-of-the-art executive gym. At present payment rates, some banks may never clear their debts."

The central bank is also left bearing the bulk of the risk of indehted banks.

The quandary for the government is Should it allow banks to wider their field of activities while the subordinated debt issue is unresolved? Or should it use the prospect of liberalisation to pressure banks on the

In an election year with a busy legislative timetable, it may prove tempting to leave the dilemma for the next administration. "An initiative to deal with the subordinated debt is really just waiting on political backing," says Mr Joa-quin Vial, chief economist at the finance ministry.

Chile's banks, which experienced decreasing profitability after posting strong gains from non-operational activities such as debt-equity swaps in the late 1980s, bounced back last year. Net profits, after pay-ment of subordinated deht obligations, grew by 23 per cent in real terms to 94bn pesos

ness was particularly strong. growing at a rate of 50 per

With figures like these, it is hard to argue that the health of the system is at risk unless the banks are freed from their shackles.

"Other banks can grow, so the financing needs of the country can be met," says Mr

sell its dsbt on to the central bank. "The system is working so that I don't see why we can't go on like this for the

One suggestion is for healthy hanks to take over the indebted ones in exchange for writedowns. Some banks may already be positioning themselves to benefit from such an

in March this year, Banco O'Higgins, a small bank which has cleared its obligations to

the central hank, merged with Banco CentroHispano, the Chilean subsidiary of Banco Central Hispanoamericano of Spain, to create Chile's thirdlargest hanking group, with share capital of \$140m.

Banco O'Higgins is controlled by the Luksic group, a Chilean holding company owned by husinessman Mr Andronico Luksle, which in turn owns 20 per cent of Banco de Santiago, the second-biggest

An initiative on the subordinated debt problem could set the stage for a further merger. But in the meantime Banco O'Higgins benefits from economies of scale - the combined operation is expected to reduce Its total workforce by 15-20 per cent to around 2,000. It can also take advantage of its new part-ner's links with Argentina, Paraguay and Brazil, and its presence in the domestic pen-

sions and insurance business. Chilean banks may find further consolidation a way of attaining at least some of their goals, even if more liheral . banking laws and a subordinated deht initiative have to wait.

Ken Warn

SURVEYS INFORMATION

1993 FORTHCOMING SURVEYS LIST Tel 071 873 3763 Fax 071 873 3062 SURVEY SYNOPSES Tel 071 873 3763 Fax 071 873 3062 BACK NUMBERS £1.20 up to one month previous. Personal callers £1

£1.60 one month to one year previous Tel 071 873 3324 SURVEYS INDEX (past two years) \$2

Tel 071 873 3213 REPRINTS Quotes available for minimum 100 order

Tel 071 873 3213 ADVERTISING Tel 071 873 3763

EDITORIAL Information should be sent in writing to the Commissioning Editor for the survey concerned, Number One Southwark Bridge, London SE1 9HL, or fax 071 873

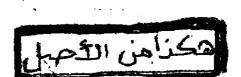
Cheques and postal orders for the FT Surveys Index and Back Numbers should be made payable to Financial Times Ltd.



FROM THE PUREST WATER ON EARTH

FAX: (562) 6713765

Association of Chilean Salmon Farmers



normous mineral resources. a welcoming foreign invest-ment regime and sound mac-

roeconomic fundamentals have

transformed Chile into a magnet for

copper producer; about \$4bo of this foreign investment is being chan-

nelled into new copper mines. The

world's known copper reserves.

country has ooe-quarter of the

Some \$560m in gold projects will

move Chile up the ladder of the

world's top 10 gold producers. A fur-ther \$405m is being invested in non-

metallics such as iodine and

Chile's mining sector plays a cru-

cial role in its economy, accounting for almost half of exports and 15 per

cent of GDP. According to some

estimates, mining production will

increase more than 50 per cent hy

the year 2000. High ore grades at new mines mean that Chile will

also continue to he one of the

world's lowest cost producers. One

estimate by Cochilco puts copper

production rising from 1.94m tonnes last year to 2.18m tonnes in 1994.

The mining boom has been sev-

eral years in the making. General

Pinochet, who ruled Chile between

1973 and 1990, wooed back mining

multinationals with a liheral for-

eign investment regime and a min-

ing code which grants property

rights over mining concessions. The

return of democracy in 1990 did not

upset this vigorous activity, as the

new government decided to keep

the mining and investment codes

More than half of Chile's copper

nitrates.

mining multinationals.

Welcoming magnet for multinationals

The foreign companies flocking to Chile reads like a Who's Who of the mining world: Anglo-American, Bema Gold, BHP, Chevron, Comis mined by Codelco, the state-owned Chilean Copper Corporation. inco - and all the way down the alphabet to RTZ and Shell/Billiton. But Codelco's four mines, including Chuquicamata, the world's largest, are old. Production is in decline, The Chilean Copper Commission, Cochilco, estimates that \$5bn worth of investment will be channelled operating costs are rising, and the powerful Copper Workers' Union, with 19,000 members, has blocked into the mining sector to explore, develop or expand projects. management plans to reduce over-Nowhere else in the world are there so many projects so close to fruition. Chile is the world's leading

Nevertheless, Codelco has a pian to reverse its dwindling fortunes. Voluntary redundancles and a crackdown on absenteatsm increased labour productivity by 6 per cent last year, according to Mr

Earlier this year, Codelco invited 20 mining companies to bid for the exploration rights to four of its mining prospects

Jorge Bande, Codelco's vice-president for development. The state coocern has also launched an exploration drive to find new reserves. An important breaktbrough for

Codelco came with the approval of a oew law in 1992, authorising the state company to form joint ventures with the private sector. Earller this year. Codelco invited 20 mining companies to bid for the exploration rights to four of its mining prospects. The idea, says Mr Bande, is to allow Codelco to share the risk of exploratioo. He expects the first joint-venture agreements to be concluded about the middle of

Codelco owns one-third of the registered mining property in Chile. Investment, however, has been limited by budget constraints dictated by the finance ministry. Mr Bande sees the joint ventures as a way of

tapping the huge mineral potential



that Codelco is unable to develop on

its own. In addition, Codelco has completed the basic engineering for Radomiro Tomic, a huge ore hody discovered near Chuquicamata. The new mine is scheduled to enter proouction in 1995, Radomiro Tomic will be a test case for the stateowned copper company. It is the first mine that Codelco is developing from scratch, and the challenge will be to produce copper as cheaply and efficiently as the private sector.

Mr Bande says Codelco is in the process of getting the final financial approval for Radomiro Tomic. which will require an investment of \$450m. Once it is up and running, the mine will add 150,000 tonnes of copper to the 1.15m tonnes produced by Codelco's other divisions. Most of Chile's increased copper

output, however, will come from private sector projects. Leading the wave of foreign investment, La Escondida - the richest copper deposit in the world - eotered pro-

duction in December 1990, La Escondida is jointly owned by BHP of Australia, RTZ and a cons of Japanese solelters led by Mitsubishi. The \$900m project was completed six months ahead of schedule - a tribute to the engineering and organisational skills of the mainly Chilean contractors.

The mine, located in the Atacama desert, last year exported about 760,000 tonnes of copper concentrates (a semi-refined product equivaleut to about 320,000 tounes of

ond-biggest copper operation in the world. The compan; is studying plans to increase production by a further 80.000 tonnes - the output of a medium-sized mine - hy 1994, it is testing a method to process the extra tolinage into pure copper cathodes, using a new lechnique which does not require smelting

Exxon Minerals, of the US, is close to completing a \$400m expension programme at its Los Bronces copper mine which will double production to 200,000 tonnes a year. Cominco of Canada recently

Minorco, an investment company owned by Angio-American of South Africa, paid the record price to enter a copper project

wrapped up the \$250m financing to develop its Quebrada Blanca copper deposit in the Atacama desert. It expects the mine will enter into production in 1964 with an output of 75,000 tomies a year.

Pheips Dodge of the US is expanding its Ojos dei Salado mine and plans to develop a deposit known as La Candelaria, already being

dubbed Chile's new Escandida. Outokumpu of Finland recently sold half of its Zaloivar acpper deposit to Placer Dome for \$100m. The Canadian resources group also agreed to finance up to \$400m towards the cost of development.

Minorco, an investment company owned by Angic-American of South Africa, paid the record price to enter a copper project last year. Minorco shelled out \$190m to huy Chevrou's (the US oil group) stake in Collahuasi, a copper deposit high up in the Andes, now owned in

equai shares by Minorco, Royal Dutch/Shell ami Falconbridge. Minorco estimates Collahuasi's start-mi date win be 1996-97.

The huge sums being paid by multinationals for a share of Chile's mining bonanza reflects the country's growing reputation as a safe haven for foreign investment. "The risk factor is not there," says one dipiemat in Sautiago, "Companies are prepared to pay top dollars for good mining projects."

A comparative example: in Peru, Angle-American's Chilean subsidiary Mantos Blancos recently acquired the rich Uneflaveco copper deposit from state owned Minero-Peru for \$12m. The huge price dif-ferential between Quellaveco and Coliahuasi, for roughly the same amount of copper reserves, reflects the penalty Peru is still paying for its political instability.

The wealth of mining projects, conceatrated mainly in Chile's desert north, is pulling a strain on the country's underdeveloped infrastructure. Finding water in the driest desert tu me world is as much a priority as striking a rich mineral decesti. Electricity is also in short supply. Fort facilities are deficient.

La Escandida chose to build its own port, railier than compete with Codelco for Antofagasta's over-stretcized docks. Phelps Dodge, which wants to ship La Candelaria's copper conceurates from the small port of Caldera, is encountering opposition from local fishermen. They fear the loading operation will pollute tue bay.

Environtaental awareness is growing in Chite, and the clash between Phelps Dodge and the fisoermen of Catdern is by no means an isolated example.

Local farming and fishing communities have recently won important legal victories against the pol-luting activities of miniog operations. The government has begun enforcing stricter air and water pollution controls. Several companies, including Codelco, are now investing utillions of dollars to

Ken Warn discusses reasons for the fall in fruit exports

World glut hits kiwi-growers

THE OUTLOOK for Chilean fruit exports has become less sunny after a decade of spectacular growth. Rising protectionist sentiment and the emergence of new competitors have combined with last year's strong peso and lower international prices to place unaccustomed pressures on the indus-

The European Community has moved to curb imports of annles following a good growing season. In addition, tumto a worldwide glut, have hit Chilean growers hard. Fruit exports, which constitute about a tenth of Chile's exports, slipped 2.3 per cent to \$938m in the first 11 months of last year, according to the Cen-

By volume, fruit exports from September 1992 to March 18 this year grew a modest 2 per cent, compared with the same period of the previous season, according to the Chilean Exporters Association.

N M Rothschild & Sons Limited

Escondida (copper mining)

Pehuenche (hydroelectricity)

Celulosa de Pacifico (pulp)

San Cristobal (gold mining)

Cerro Colorado (copper mining)

Guanaco/Refugio (gold mining)

per cent, hit by the introduction of a licensing system in February aimed at protecting European apple growers.

While the problems over apples may prove a short-lived result of the good European ason, the difficulties of Chile's kiwi-truit growers are more

South Africa shares the same growing season as Chile, as do emerging competitors eisewnere in Latin America, such as Argentina and Brazil

intractable. "The market cannot consume all the kiwi-fruit being produced. This is now a world problem," saya Mr Ricardo Ariztia, president of the Federation of Chilean Fruit

Producers (Fedefruta). Of tha major producers Chile, New Zealand, Italy and the US - one country will lose out heavily, according to Mr

Over the past five years major Chilean transactions on which

N M Rothschild & Sons Limited and its affiliated company

BICE Chileconsult Agente de Valores S.A. have advised include:

PROJECT FINANCINGS

PRIVATISATION & EQUITY OFFERINGS

Ariztia, "New Zealand and Chile is the hig commercial fight. Some of our kiwi growers will undoubtedly go out of business," he says. Chile has planted about 12,000 hectares

with kiwis. South Africa's re-emergence in international markets has added to these woes. The country shares the same growing season as Chile, as do emerg-ing competitors elsewhere in Latin America, such as Argentina and Brazil. "Last year we competing against South African fruit," says Mr Ariztia.

He cites South Africa's high quality control and standardised packaging as posing the biggest threat to Chilean grow-

Argentina, according to Mr Armen Kouyoumdjian, an independent economic consultant, is a sleeping giant. When it gets its act together it could compete very effectively against Chilean fruitgrowers." These challenges take place

BICE CHILECONSULT

US\$ 1.2 billion

US\$ 480 million

US\$ 580 million

US\$ 30 million

US\$ 300 million

US\$ t80 million

US\$ 500 million

US\$ 50 million

US\$ 30 million

US\$ 80 million

US\$ 35 million

Current

against a background of continuing tensions between Chile's exporters - dominated hy multinational companies - and the growers, often small, under-capitalised operators. The biggest hone of contention is the "free consignment" mar-ket system, under which growers hand over their produce to the exporters, not knowing what price they will eventually get after the fruit is sold on.

"We believe the final price we receive can be improved," says Mr Ariztia. Some growers have started to export direct, so far with very modest amounts of fruit. to circumvent the axporter companies. In turn, the multinationals have been huying agricultural land themselves in

hid to integrate their operations. Yet, in the face of these internal tensions and mounting axternal compeitioo, the mood in the industry remains optimistic, if concerned. "The market for Chilean fruit is not saturated," says Mr Ronald Bown, president of the Chilean

Exporters Association. "This is a special year and we expect to

overcome many of the problems that are facing us." Both growers and exporters are seeking to move to a mandatory system of quality control and to standardise packaging and box sizes. Almost all Chile's major fruit export companies have their own quality certification units. About 70 per cent of exports are self-inspected with only the remain-der looked at by third parties.

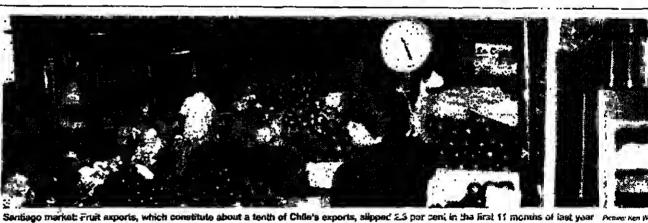
"We must work very fast on these issues. But I hope we can reach agreement on mandatory quality control and packaging standardisation with the exporters by next seasoo," says Mr Ariztia.

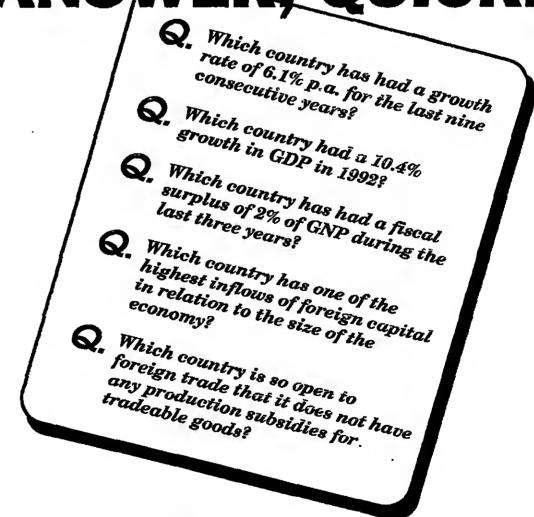
The industry is also boosting its promotional activities. The exporters have earmarked \$3m for promotion in Europe in 1994, and are working on a long-term marketing plso for the US. "The EC and the US are still the most promising markeis for us and will probahly remain so for around tha next 10 years," says Mr Bown. Fruit and vegetable exports

to Latin America soared 48 per cent in the growing season to mid-March, from an admitedly low base, belped by a free-trade agreement with Mexico. A similar agreement with Venezuela at the beginning of April and a planned deal with Colombia should also help develop this

Longer term. Chile is hoping for great things from Asia. The exporters association is looking for a way into the coveted Japanese market, with its strict quarantine rules against agricultural imports, and expects to enter the Korean market in the next four to five

"We have to work with imagination and intelligence exporters, growers and govern ment together," says Mr Ariztia. "The industry is not going to grow at 10 per cent a year any more, but we still have a hig contribution to make to





IF YOU THINK THIS IS A COUNTRY **WORTH KNOWING MORE ABOUT, CALL ANY OF CHILE'S COMMERCIAL OFFICES IN EUROPE**

Amsterdam Rome Moscow Phone: + (31 20) 612 4701 Phone: - + (39 6) 321 8951 + (39 6) 323 Ot54 Fat: + (3t 20) 685 2486 Bonn Stockholm London Phone: + (44 71) 580 6392 Phone: + (49 228) 36 3080 Fax: + (44 71) 255 1848 + (49 228) 35 6207

Phone: + (34 1) 435 7834

Phone: + (49 89) 91 9048

Milan Phone: + (70 96) 573 6990 Phone: + (\$9.2) 369 4093 ÷ (70 95) 373 9959 Fax **Paris**

+ (48 8) 20 9t11 + (46 8) 21 5687 Hamburg

+ (49 40) 32 6957

+ (39 2) 866 2172 Phone: + (33 1) 4 266 9064 Fax: + (33 1) 4 286 9548

N M Rothschild & Sons Limited is a member of SFA

Edelnor (electricity)

Endesa (electricity)

CTC (telecommunications)

Five Arrows Chile Fund

Viña San Pedro (vineyards)

Mantos Blancos (copper mining)

May 1993

he Chilean right is fond of portraying Mr Alejandro Foxley, the finance minister, as a mere administrator of the fruits of General Pinochet's economic miracle.

But before the end of the year, Mr Foxley hopes to have left his mark as an innovator, with a new law aimed at implementing "the deepest and most complete reform to the domestic capital markets" since the early 1980s.

His "big bang" will widen the investment options open to private pension funds and insurance companies. Since Chile reformed its social security system in 1981 - introducing a compulsory savings scheme, managed hy private com-panies known as Administradoras de Fondos de Pensiones (AFPs) - pensioo funds have become the biggest institutional investors in Chile. They now manage almost \$13bn of funds, equivalent to one third of gross domestic product. The draft hill, sent to Congress in Janu-

ary, is long overdue. AFPs have been complaining aince the late 1980s of the dearth of investment options in Chile, as they are accruing much faster than they are paying out benefits

Under the proposed legislation, AFPs will he able to diversify their equity portfolios and invest in oew instruments, such

CAPITAL MARKETS

'Big bang' to widen options

ernment hopes the latter will be a source of long-term capital to small and medium-

AFPs will be allowed to invest up to 10 per cent of their portfolios in shares, corporate honds and gilt-edged securities

Although AFPs were authorised to invest in a more restricted number of foreign instruments last year, they have yet to dip their toes into the international capital markets. They are adopting a cautious "let'a study all the options" approach, much to the chagrin of the legions of foreign investment bankers cur-

rently touting for husiness in Santiago. Mr Foxley says the reforms are imperative, in order to spread risk and ensure hetter long-term returns for Chile's 12year-old private pension fund system. Both the government and the pension fund igers expressed concern last year over

as securitised bonds and closed-end entre-preneurial development funds. The gov-portfolios in a limited number of privatised utilities. Almost half of these investments are held in electricity and telephone companies, some of which performed poorly in 1992 and depressed the overall returns on AFP investments.

The reforms have called on some elements of US trustee legislation to introduce revenue bonds for the finance of large infrastructure projects. Under this scheme, the money raised by bond issuers is managed by a trustee who dishurses funds as the project develops.

The finance ministry sees revenue bonds as an important vehicle for substituting foreign finance for hig projects, particularly now that the country is pushing to upgrade roads, ports, irrigation, telecommunications and power generation.

Insurance companies, which manage about \$3bn of funds, will be allowed to invest up to 15 per cent of their funds in foreign equity and boods and in the deriv-

is he prepared to fade away.

Chile's former dictator, now

77 and fitted with a pace-

maker, granted himself the constitutional right to head the

army until 1998. He has oot

expressed any wish to take

Gen Pinochet has three main

reasons for wanting to remain

commander in chief of the

army: Rightly or wrongly, he

regards himself as the guard-

ian of Chile's peaceful transi-

tion to democracy. He is the

army's main insurance policy

against the threat of human

rights trials. And, having mod-

ernised the Chilean economy.

the geoeral still has one unful-

filled amhition: to go down in

history as the man who also

modernised the largest and

most cumbersome hranch of

For while the navy and air

force effectively withdrew from

government during the last

years of military rule, the

army's best cadres were husy

running state hureaucracies

and the uniquitous security

army (it includes 30,000 con-

scripts) finds itself far behind

Its sister branches in preparing

for the challenges of the 21st

century. Pay is poor; the army has forged few links with mili-tary academies ahroad; and

Gen Pinochet's intense dislike

of the US has led to logistical

problems in the search for non-

President Aylwin's "cobabi-

tation" with the former dicta-

tor has not been easy, but he

has handled it with consider-

able skill and no small mea

sure of restraint. The presi-

dent's boldest initiative was to commission an independent

report, published in March

1991, on the human rights

abuses committed during Gen

Pinochet's rule. The report

stopped short of naming those

responsible for the repression,

but it provided moral repara-tion for the victims and their

The army rejected the report's findings, frustrating President Aylwin's efforts to

heal the wounds of the past

American arms suppliers.

As a result, the 60,000-strong

apparatus.

the Chilean armed forces.

early retirement.

atives markets at home and abroad While the stock market and Chile's 19 AFPs broadly welcome the proposed reforms, they are bitterly opposed to parts of the law that will tighten regulation on the thorny question of insider trading and other potential conflicts of interest. The controversy is bogging down discussions in the Senate.

In essence, investment managers, be they mutual funds, AFPs, stockbrokers or insurance companies, will be required the keep their own investments separate from the portfolios of their clients - a rare practice to date and a state of affairs that has caused Chile's securities watchdog many headaches.

The second issue - the handling of "privileged" or insider information - is a much trickier question, given the close knit nature of Chile's small business community. The government wants to oblige AFPs to appoint a certain number of independent directors to their boards,

men who have no financial interest in the companies AFPs invest in. At present, it is quite common for company directors to wear several hats at once.

"Even if the government succeeds in tightening regulations," says Mr Mario Lobo, an investment analyst in Santiago. loopholes will inevitably persist until the business community itself accepts that the use of privileged information is unfair practice."

The proposed reforms have already galvanised the capital markets in Chile. Santiago's stock exchange rallied by 16 per cent in January, when the bill was sent to Congress. Trading was unusually heavy in second-tier stocks that might soon become eligible for the enlarged portfolios of AFPs. Santiago has also seen a spate of initial public offerings, which will give the stock market more depth and liquidity.

Social security reforms elsewhere in Latin America, modelied broadly on the Chilean AFP system, are also tempting Chilean pension fund management companies to venture abroad. Six Chilean AFPs are setting up subsidiaries in Peru, where private pension schemes were introduced this month. Another four AFPs plan to establish themselves in Argentina.

civilians.

Leslie Crawford

over domestic politics long.

after relinquishing power to

Nevertheless, these public

hattles have obscured the

extent to which progress is

heing made in bridging the

chasm of distrust that sepa-

rates civilians and men in uni-

form. This year, for the first

time. 20 civilians will be

graduating with a master's

degree in defence studies from

the Chilean War Academy, "It

has been an invaluable forum

for discussion, to get to know

their way of thinking," says Mr

Leslie Crawford profiles Alejandro Foxley, finance minister

Plain talk has won respect

MR Alejandro Foxley, the Chilean finance minister, embodies the change in economic thinking that has put Latin America on a new course of development after

the "lost decade" of the 1980s. Once a fierce critic of General Augusto Pinochet's free-market policies, Mr Foxley came to accept the benefits of an open economy and a reduced role for the state. He faced a difficult balancing act wheo he took over the finance ministry in March 1990, on Chile's return to democracy.

The husiness community was nervous of the oew government, a coalition of Christian Democrats and Socialists. The political transition had also raised expectations among the mass of Chile's poor and middle-classes, who had suffered great hardship under military rule. "Our main economic challenge was also an ethical one: how to halance economic development with a greater degree of social equality,"

But Mr Foxley also had to prove that democratic governments in Latin America could avoid populist traps and be responsible economic managers. His leitmotif since assuming the finance portfolio has been to pursue a "conservative fiscal policy with progressive ends." One of Mr Foxley's first acts was to push a tax package through the congress that raised corporate taxes from 10 to 15 per cent, and the sales tax by two points, to 18 per cent.

The extra Stho in revenues was earmarked for social speoding. Pensions and

family benefits were increased; state sub-sidies for low-cost housing were extended; and teachers and health workers got more pay. In spite of this, Mr Foxley faced a rash of public sector strikes in 1991.

He refused to bow to wage demands. He has been equally firm with Chile's buslness leaders; he once told them to "stop whining" wheo they complained about high interest rates and the appreciating

He helped to found Cieplan, an economic think tank with Christian Democratic leanings

Mr Foxley's detractors accuse him of arrogance, and say he takes criticism badly. But his plain talking has also won much respect for the 53-year-old finance minister. He is acknowledged as a heavyweight in President Patriclo Aylwin's cabinet. If the ruling coalition wins the December 1993 elections, it will be largely as a result of the steady economic course charted by Mr Foxley. He is tipped to become Chile's next foreign minister, but many of his supporters helieve he may want to make a hld for the leadership of the Christian Democratic party, to launch his presidential candidacy in 1997.

An economist by training, with a doctorate from the University of Wisconsin in the US. Mr Foxley cut his political teeth during General Pinochet's dictatorship.

Like most academics who advocated the restoration of democracy, Mr Foxley was banned from teaching at state universities, and was subjected to police harassment, isolation and censorship. His house was broken into several times and death threats were left inside his passport.

Together with other banned academics, he founded Cieplan, an economic think tank with Christlan Democratic leanings. When General Pinochet gave way to con-tested elections in 1989, Mr Foxley joined Mr Aylwin's presidential campaign.

By then he was convinced that retaining the broad lines of the military's economic policies was the key to a smooth political transition. He was rewarded with the finance portfolio.

Mr Foxley is also earning a reputation ahroad as a leading exponent of the importance of free trade for developing countries. He chaired the IMF/World Bank's development committee between 1990 and 1992, from which position he reminded industrialised nations of the need to dismantle protectionist barriers.

With much of Latin America betting on an export-led model of development, he argues, access to foreign markets has become much more important than ald. soft loans or debt-relief. "The absence of further liberalisation in industrialised nations means that middle-income countries like Chile are losing a unique opportuoity to expand their exports," Mr Fox-

The politico-military relationship hey say that old soldiars never die. In General Pinochet's case, neither

Pinochet's influence lingers on

Nevertheless, the government has not pursued human rights trials. Only a handful of cases, which fall outside a 1978 selfamnesty decreed by the military, are being pursued through the courts.

As the human rights legacy has diminished in importance, other issues concerning the role of the military in a democracy have taken centre stage. Spying on politicians caused a scandal last year which highlighted the government's impo-

tence in dealing with the army intelligence services; they remain beyond civilian control. Earlier this year the government failed to mnster sufficient support in congress for a constitutional amendment that would restore the president's power to dismiss military commanders. The amendment was hlocked by the right-wing opposition. The government's defeat was yet another example of how Gen Pinochet con-

Hugo Espinoza, a left-wing sociologist who was expelled from the military-controlled universities during Gen Pinochet's rule. Mr Espinoza also sees progress in the military's relations with congress. "Their greatest fear was that politicians would meddle in military affairs," he explains. tinnes to exert an influence

After a tense first year, the armed forces now send their top brass to parliamentary defence committees to explain and account for military expenditures. The navy and air force have made a special point of inviting senators and deputies on inspections and military manoeuvres.

Despite greater accountability, military expenditure remains high for a country with no border conflicts. The military budget consumes 15 per cent of the government's income - about 4.5 per cent of GDP. In per capita terms, Chile has the highest military expenditure on the continent, except-

ing Cuba. Few Chileans feel bold enough yet to question the cost of their armed forces, let alone their efficiency. These troublesome issues have been left for a future government to tackle. President Aylwin's main aim during this transitional fouryear government has been to establish a modus vivendi with Chile's former masters.

Mr Aylwin now says he has grown accustomed to the general. The military, for its part, has come to accept the legitimacy of democracy. No one in . Chile fears another military

00

EXP

FOREIGN

ARE HERE TO HELP YOU:

SANTIAGO - CHILE **TEATINOS 120** Tel: 698.4254 Fax: 698.9476

REPRESENTATIVES ABROAD:

TOKYO - JAPAN NIHON SEIMEI AKABANEBASHI BLDG 8TH FLOOR 1-4. SHIBA 3-CHOME, MINATO-KU, TOKYO (105) TEL: 3-452.7561/2, 3-452.7585 FAX: 3-769.4156

NEW YORK - U.S.A. SUITE 5151 ONE WORLD TRADE CENTER NEW YORK, N.Y., 10048 - 0497 Tel: (212) 938.0555 Fax: (212) 938.0568

SAN FRANCISCO - U.S.A. 870 MARKET STREET 1062 SAN FCO. CA. 94102 Tel: (415) 982.7662, 982.7665 Fax: (415) 982.2384

> ZURICH - SWITZERLAND LOWENSTRASSE, 1, 8001, ZURICH TEL: (01) 221.2320 FAX: (01) 211.4180



Leslie Crawford

Leslie Crawford finds there is new political stability

Coalition confounds its critics

Aylwin's ability to govern hy consensus that politics in Chile, once a matter of life and

death, has become boring.

Seven mooths ahead of general elections, it is already a foregone conclusion that the ruling Concertación coalition of centre-left parties will form the next government, and that Senator Eduardo Frei, leader of the Christian Democrats, will become Chile's next president. The key to the Concerta-

Two right-wing parties are locked in a marriage of convenience

ción's success has been its unity and discipline, which have giveo Chile three years of stable government following the transition from dictatorship to democracy in 1990.

The Concertación confounded critics who believed the 17-party coalition would unravel ooce its principal goal - to oust General Pinochet had been achieved. But according to Mr Edgardo Boeninger, President Aylwin's chief of staff, the experience of government has given the Concertación a "sbared diagnosis and shared solutions that will make the coalition strong enough to last one or two

"At this point in history," Mr Boeninger continues, "the parties of the Concertación need each other. The challenge will be to sustain this consensus

over time." The authority of the ruling coalition has been heighteoed

IT is a tribute to President by the total disarray in the opposition camp, where two right-wing parties are locked in a marriage of convenience, in a country where divorce is still illegal. Eveo Mr Manuel Feliù, the

presidential candidate of the main opposition party, Renova-ción Nacional, admits: "Tha Chilean right today is shattered. We are not an alternative for power. Our main task is to unite the right to ensure it polls one-third of the votes, so that it can check the excesses of the next govern-

Renovación's spouse in this damage-limitation exercise is the Union of Independent Democrats (UDI). UDI wants its own party leader, Mr Jovino Novoa, to be the right's presi-dential candidate. The partners have yet to have their hig showdown on who will finally go forward.

Since the return of democracy, the two opposition groups have been locked in a battle of supremacy for Chile's sizeable right-wing constituency. While Renovación's efforts to forge a modern con-servative party along European lines have foundered. through political infighting, UDI remains unashamedly nostalgic for the days of authoritarian rule.

The right has also been robbed of political ammunition, because President Aylwin's government successfully hijacked Gen Pinochet's economic model.

Nevertheless, the Concerta-ción and the opposition remain deeply divided over the legacy of military rule. The govern-

package of constitutional reforms in Congress, because it lacked the necessary twothirds majority. Among other things, the reforms would have restored the president's power to dismiss military commanders-in-chief, and would have

with Pinochet appointees hefore he relinquished power.

Although these issues ite at the heart of a fully functioning democracy, they are unlikely to figure prominently in elec-toral dehates. To understand why, it is necessary to remem-

abolished the nine non-elected Senate seats that were filled

negotiated their departure from power, and effectively dictated the ground rules of civilian government.

This explains the Concertacion's acceptance of Gen Pinochet's unassatlable position at the helm of the army, why ft turns a hlind eye to the surveil-lance activities of army spies, and why it has not pressed

human rights trials.

The effects of the negotiated settlement will be around for at least another 20 years," says Mr Oscar Godoy, a political scientist at the Catholic University in Santiago.

ORDER YOUR SUBSCRIPTION TO THE

FINANCIAL TIMES

HAND DELIVERED IN SANTIAGO

Contact your local FT agent today:

Durlar Chile Ltda Av. O'Higgins 142, Of. 111

> Tel. 632-3037 Fax. 632-4965

FINANCIAL TIMES

- BCCC promotes trade and investment both ways.
- DTI accredited Mission sponsor, next one November 1993.
- Special events, database, local contacts, available to our members.

Contact Michael Cannon - Executive Director THE BRITISH CHILEAN CHAMBER OF COMMERCE 12 DEVONSHIRE STREET, LONDON W1N 2DS

> TEL: 071-323 3053 - 071-580 1271 FAX: 071-580-5901 TLX: 25970

CHILE 5





Chile is a favoured site for observatories - despite pollution and an array of intractable

Environmental laws are to be strengthened, writes Ken Warn

Long catalogue of woes

CHILE'S constitution enshrines the right to live in an environment "free from pollu-tion." That is probably little consolation to Santiago's 4.5m citizens, who ore forced, particularly in the winter months, to live under a pall of choking fumes.

In spite of the fine words of the constitution, Chile suffers from an array of intractable environmental problems resulting from its natural-resource intensive economy, inadequate government controls and sprawling urbanisation.

Only now is the yawning gap between the constitution and everyday reality being addressed. in the autumn of 1992, the government of President Patricio Aylwin aubmitted a package of legislation to Congress to strengthen and extend the country's patchwork of environmental laws and decrees.

Companies would for the first time be required to undertake environmental impact studies of new projects, and a start would be made on the formulation of environmental standards. The absence of a viable regulatory framework leaves complainants against polluters little option but to embark on often lengthy court actions.

The battle against pollution is still in its early stages. "The country as a whole has not confronted the environment as an issue," says Mr Juan Escudero, head of the Santiago anti-polintion commission, "Only in the past five or six years has there been any kind of awakening to environmental

The commission's efforts to tackle the specific problems of Santiago are similarly at an early stage. Air pollution has been measured and the worst sources of emissions identified, according to Mr Escudero. But the hard part - implementing a pollution-control plan for metropolitan Santiago - is only just beginning.

Chila's capital is not helped by its geography and climate. Santiago is at 33 degrees south and is ringed by mountains up to 3,200 metres high. From April to August (autumn and winter) thermal Inversions trap tha city's pollutants, mainly particulates and carbon monoxide

ritics

from vehicle exhausts. Under the plentiful summer sunlight, the main problem is photochemical smog. Buses, particularly old and badly main-

tained ones, are the main culprits, and some successes have already been scored against Santiago's vocal and powerful bus

The government has sought to reduce the number of buses, which account for over half of all journeys undertaken in Santlago, and cut duplication by putting some routes out to tender. There are now formal contracts between operators and the ministry of transport in what was formerly a completely unregulated system. me 4,000 old huses have been taken out of service in the past three years, and

Codelco is committed to spending about \$90m a year on environmental controls

the total bus fleet has been reduced from 13.000 to under 11,000 vehicles - "still too sighs Mr Escudero, Private vehicles face controls, too. Car use is restricted for much of the year in central Santiago on a rotating basis, and since September 1992 all new private vehicles have bad to be fitted with catalytic con-

The catalogue of Santiago's environmental woes goes on. The city produces 10 cubic metres of untreated waste water every second. While the city is finishing its first water-treatment plant, at a cost of \$12m, it will take hundreds of millions of dollars and at least a decade to create an effective system for the city as a whole. How many plants to build - and where to build them - is still being studied.

Outside the capital, the country's natural resource based industries have only recently begun to clean up their act. The state-owned copper corporation Codelco, for example, is committed to spending between 15 and 20 per cent of its investment hudget - about \$90m a year on environmental controls.

But the pace of the industrial clean-un and the government's gradualist approach to environmental regulation, aimed at

minimising the impact on growth, is rejected by an increasingly vocal lobby. "Chile'a macro-economic indicators are quite spectacular, hut also dangerous," says environmental campaigner Mr Man fred Max-Neef. "Another eight years of the same will leave the country devastated,"

Mr Max-Neef is running for president in December's elections as an Independent candidate backed by a "rainbow coalition" including environmentalist and women's groups, and trade unions. He does not seriously expect to win the presidency but aims to push environmental issues up the political agenda.

He lambasts the government for ollow ing the "devastation" of Chile's natural resources. At the southern port of Puerto Montt, "there are mountains of wood chips waiting to be sent to Japan to be made into toilet paper. I don't think that's a very noble destiny for our native forests," he

Chile's nascent environmental activists have already notched up some successes, including a legal campaign by oliva grow-ers in the Huasco Valley for more environmental controls at an iron pellet plant, which they claim blighted their crops.

As if its internally generated environmental difficulties were not enough, Chile faces an as-yet unquantified threat in the form of ozone dapletion. Every apring, Antarctica loses much of its ozone cover, as a result of photochemical reaction with the greenhouse gases produced by the industrialised world, exposing neighbouring countries to increasing levels of cancer-causing ultraviolet rays

The ozone hole is getting bigger, appearing earlier and lasting longer every year. The implications for southern Chile could he enormous. Whereas the government has at least started to take stock and act on Chile's more conventional environmen-tal dilemmas, understanding of the ozone problem is only in the earliest stages.

Senator Eduardo Frei, leader of Chile's Chris-tian Democrats and front-runner in the race for the presidency, is not exactly known for his fiery oratory or barnstorming campaign style. But at least, according to one political analyst, "he has learnt

how to smile." A sombre, rather tacitura businessman, Mr Frei is consistently the country's most popular politician in the opinion polls behind President Patriclo Aylwin. His position as leader of the biggest party in the rul-ing coalition has given him a seemingly unbeatable band against the divided opposition. Despite a distinguished political ancestry - Eduardo Frei Senior was president from 1964-70 - Mr Frei only ran for office for the first time in 1990,

when he won his senate seat.

However, he joined the Chris-

tian Democrats in 1958 at the

Mr Frel denies charges that he trades on the reputation of his lale father - a popular and charismatic politician, and a founder figure of the Christian Democrats. "It's foolish to deny that people remember my

n the main plaza of Curico,

about 200km south of Sant-

liago in Chile's Central Val-

ley, the festival to mark the

start of the grape harvest is in full swing. The local hishop has blessed the year's first

pressings and a wine fountain

is flowing. The town band is

earnestly tackling a vigorous

march and the queen of the

harvest is about to receive her

reward - ber own weight in

Although the festival looks

like time-honoured ritual it is

in fact the celebration of a very

recent phenomenon - the

emergence of a modernised.

export-oriented wine industry.

A combination of foreign

investment and a renewed

dynamism on the part of Chil-

ean estate owners has trans-

Exports grew 55 per cent last

year to about \$180m, according

to the Chilean wine industry

association. This was the

fourth year in succession in

which exports grew more than

50 per cent in dollar terms.

Export volume last year

climbed 25 per cent to 80m lit-

res and the association fore-

casts overseas sales of 120m lit-

res by 1995 and 180m litres by

Mr Miguel Torres, the Span-

lated into soaring sales.

age of 16 and says he was always active in the party.

Profile: Senator Eduardo Frei

Distinguished ancestry

father. But not all sons of pres-idents follow in their fathers' footsteps. Ultimately people will judge me by what I do, not by my name." His father, be adds, gave him "a vision of this country and of public service." A key element of Mr Frei's political credo is a determina-tion to preserve the ruling Concertación coalition "for as long as it is efficient and rational to do so." The Aylwin government, which effected the transition from military to civilian rule, "achieved high economic growth, political stability and increased social spending. For me, that proves the value of working together," he says.

If elected president this December, Mr Frei promises to "continue and deepen" the reforms of the Aylwin administration. But he highlights poverty, weaknesses in the educa-



tion system and bottlenecks in infrastructure as obstacles to continued growth.

Mr Frei is unequivocal about the need for constitutional reform to remove the checks on the elected government handed down from the Pinochet era.

"This is a matter of principle for us. I don't know of any other democrotic country where the bead of state or civil authorities don't have control over the chiefs of the armed

The Senator may be well placed to succeed where the Aylwln government faltered - a constitutional reform package failed to win the required two-thirds majority in Congress this March.

"Frei has a strong sense of how power works in this country," says Mr Oscar Godov, ad of political science at the Roman Catholic University of Chile. "He is no great orator -he knows that - but he is a good team player, chooses his people well and he likes taking decisions."

Mr Frei rarely departs from the language of gradualism and consensus. Even the attempt by the Socialist party and its ally the PPD to offer their own candidate. Mr Ricardo Lagos, for the cuali-tion's presidential nomination is "absolutely normal and unsurprising in a presidential system," he says, smiling.

THE WINE INDUSTRY

Modernised and export-oriented

ish winemaker, is the man widely credited with sparking this revolution. Mr Torres first invested in Chile 14 years ago, after a lengthy search for new ornia and Latin America. "I really think the Central Valley is paradise for anyone interested in vines," he says at his bodega outside Curico. "The climate, the quality of the soils and absence of phylloxera [the vine pest] make this place just about perfect.

Mr Torres introduced stateof-the-art wine-making technology, including the latest presses, new French oak barrels to lend more character to red wines, and cold fermentation tanks for the whites. In doing so be broke decisively with the Chilean philosophy of "quantity not quality."

Other foreign investors have proved eager to follow his lead. Chateau Lafite bought a 50 per cent stake in the lustoric vineyard of Los Vascos at the end 1988, with the aim, according to Lafite penologist Mr Gilbert Rokvam, of creating "a French chateau in Chile in the tradition of the great Bordeaux wines." Another small familyowned husiness. Errazuriz Panquebue, formed a joint venture with California's Franciscan Estates the same year.

Errazuriz has a dual strat-

egy, according to Mr Eduardo Chadwick, whose family have owned the business since 1870. On the one hand it is seeking to produce high-quality Reserva wines at the family's three properties. But it is also buying in grapes under long-term contract from farmers to produce Caliterra, a more middle-market brand. Our biggest job was getting farmers to prune back more to decrease yields and raise qual-

ity," says Mr Chadwick.

Callterra, launched three years ago, has become the biggest Chilean brand in the UK market, Mr Chadwick says. The link-up with Franciscan proved short-lived - the joint venture was dissolved amicably in 1991. Franciscan moved on to a \$6m investment in the Casablanca Valley between Santiago and Valparaiso. The company remains the agent for

Errazuriz in the US. The main market for Chile's wines continues to be the US. which accounted for about a quarter of sales by value last year. Chilean wines make up 7 per cent of US wine imports and it has overtaken Germany as the third-largest wine exporter to the US after France

Small vineyards such as Los Vascos, Torres and Errazuriz are at the cutting edge of Chlle's wine industry. But it is dominated by Vina Concha y Torro, which accounts for about a quarter of wine exports, twice as much as its nearest rival, Viña Santa Emillana. The average price per litre these winemakers conmand is low compared with smaller operators, but they also produce top wines.

Ken Warn

LOOKING FOR **EXPANSION OF** YOUR RETAIL

Here's an opportunity for business with a solid base.

The first OUTLET SHOPPING CENTER in Chile.

Located in a country where there has been remarkable economic growth since 1984, including a 10.3% increase in GNP in 1992.

> Secure opening to new markets.

Looking for foreign investors in home products, Textiles, shoes and electronics.



For more information, contact Fernando Acuña R.:

Parque Arauco S.A. Av. Presidente Kennedy # 5413 Santiago, Chile

Phone: (56/2) 218.5240 Fax: (56/2) 242.0673



By Kermeth Gooding. Mining Correspondent

THE GOLD market frothed up again yesterday and in late trading the dollar price in London broke through another pychologically important harrier to close at \$370.25 a troy ounce its highest for 23 Lutait Ré.

Tradert suggested the price was being order up by the momentum of options activity which created extreme voiatility at key price levels. "The nigher it goes, the higher it will go, saud one.

More investment fund money poured in yesterday, wio. Tuese are too many fund hanagers around the world with ac gold in their portiones and new gold looks like being the best performing asset in the second quarter [of 1993) toey must get som: " said one cose, by Angloer tomments Gold is 5% the fringe of a market where serious money zoes a lone way". Mr Wikter Bielski, analyst at

Bain Securities, part of the Deutsche Bank group, said chart watchers believed that once gold's price hroke through resistance at \$371-\$372 an ounce there was nothing much to stop it going to \$380 and then \$400. "it is difficult to find anything that might stop it. We could see \$425 much more quickly than some people

He pointed out that two gold producers had announced they bad unwound some forward saies and more might foilow. He estimateo that producers bad sold forward 90 to 100 tonnes of gold at receivable prices below the present spot price. If spot prices rose to between \$380 200 \$400 an cunce, forward sales totalling 36C to 460 tonnes would be in

EC seeks bigger set-aside

A kukūřeán Commissica proposai o tix a 35 per remirate for vinible land permanenti) taken out of production must be approved by farm ministers by july 51. Commission officials said. Reuter reports

from Brussels.
Officials in specials can be done at the next farm council. on May 24, allowing time to prepare for the implementation of the new rules.

Governments and farmers. notabi / Danish, favour permaneut set asitte, witich is seen as simpler casion to control, better ion die gavisonment mid Office acceptable to taxpayers. Ministry are expected to give guidelines lather than take quick occisions on a commission paper, approved yes-terday, discussing the controversial set-aside scheme - a key element in last year's reforms to curb farm output.

The commission paper was drafted in response to criticism from member states and farmer groups about the complexity of the scheme and desire to make it more beneficiai to the environment.

If farmers are allowed to combine permanent and rotational set aside on the same farm the higher 20 per cent rate should apply, according to the commission paper.

Farmers must set aside 15 per cent of arable land under a siz-year rotational scheme adopted in last year's reforms.

MINOR METALS PRICES

Prices from Meial Bulletin (last) weeks the brankeist.

ANTIMONY Editorear free Marker 95.5 per dent 5 per tonne, in watchouse, 1.570-1,555 BISMUTH: European free

market, min. 29,99 per cent, 5 per the tome loss in warehouse = 25/2/45 (2/30/2/40). CADMIUM European free market, dan: 99 5 per cent. S pel 10, in warehouse, 0.55-0.45

COBALT: European free market. 99.5 per cent. S per lb, in was enouse. 14,40-14,90 114,60-

MERCURY: European free market, min. 99.99 per cent, \$ per 75 th flass, in watehouse. 115-140 (120-140).

MOLYBDENUM: European free market grammed molybdie exióe, à par lo Mo, in wareoottse, 2.20-2.25 (same).

SELENIUM: European free market, min 99.5 per cent, \$ per lo. in warehouse, 4.70-5.40. TUNGSTEN ORE: European

free market, standard min. 65 par cant, \$ per tonne unit (10 kg) WO₂, cif, 28-41 (same). VANADIUM; European free

market, min. 98 per cent, 8 a lh V-O., cir, 1.40-1.50 (same). URANTUM: Nuexco exchange value, S per lb, U,O,. 7.10

(same).

Me at Monday's close)

to 1,792,350 to 411,550 to 250,850

manure mountain

By Ronald van de Krol in Amsterdam

THE DUTCH government bas reached agreement with the country's highly productive livestock farmers on reducing pollution-causing manure surpluses by the year 2000, averting the threat of forced cuts in the size of the Dutch pig, cattle and poultry herds.

Under an accord reached last week after long and difficult negotiations, pig and poultry producers will be required by 1995 to cnt the amount of barmful phosphorous io manure produced on their farms by 30 per cent compared with with the level in 1986.

The government and farmars' organisatioos are coofideot that the phosphorus reductions can be achieved entirely by changes io the diets of their pigs and poultry, meaning that the actual oum-ber of animals does not need to be reduced.

The Netherlands has 115m bead of livestock, compared with buman population of 15m. Modern animal hosbandry techniques have left the country with more manure than can be safely absorbed by farmland, cansing stubboro problems such as air and water pollntion.

A central element in the new system for controlling manure surpluses will be a "mineral ledger" to be kept by livestock farmers starting in 1995. The ledgers will keep track of the amount of phosphorus aod nitrogen arriving at farms in the form of animal feed and artificial fertiliser, the amount effectively absorbed by the animals and the amount left as residue in manure.

From 1996, livestock farmers who exceed the mineral quotas will he subject to a "snper levy" designed to discourage surplus manure production. Pollntion caused by excessive manure production will also be curbed by stricter con-trols on the amount of manure

that farmers can spread on their land. From 1995, farmers will be allowed only 150 kg of phosphorus a year to each hectare of grassland, down from 175 kg at present. By the year 2000 the phosphorus limit will gradually be cut to 65 kg a ha.

This is meant to encourage livestock farmers to deliver surplus manure to processing plants for conversion into manure pellets destined for export markets. Other options open to farmers are large-scale conversions of existing barns and sheds to prevent the seepage of manure into the air and

COCOA - London FOX

Close

Previous High/Low

Dutch mount assault on Nigeria signs deal with BP-Statoil alliance

By Paul Adams in Lagos

NIGERIA YESTERDAY signed ar oil exploration and produc-tion-sharing contract with the alliance between BP and Statoil, the Norwegian state oil company, for three deep offlocks south-west of the Niger Delta. It was the third agreement in a month by a foreign oil group to take all the risks in developing new fields since shortage of cash forced the government to stop taking majority stakes in exploration

After initial resistance to the terms offered by Nigeria's rul-ing transitional council this year, the foreign oil companies are falling into line following last mooth's signing by Royal Dutch/Shell and Elf of France. Exxon of the US is to sign a

similar deal on Friday. The contract marks the return of BP to active exploration in Nigeria after an absence since 1979, when its Nigerian assets were nationalised. It was welcomed by Mr Philip Asiodu, the oil minister, who said at the signing in Lagos: "We are all sorry that matters political led to a rup-

The structure is estimated to

hold reserves of at least 250m barrels and could bave as much as 1bn barrels. BP-Statoil will pay a signature bonus of US\$42m and are committed to investing a minimum of \$65m over the next six years. Seismic tests will begin this year and the first discovery is expected by the end of 1994. Mr Asiodu sald that Nigerian law would be amended by

August to allow more favourable terms for the increased risk taken by foreign oil companies in the new contracts.

For deep offshore exploration the petroleum profit tax will be cut to 50 per cent, the investment tax credit will be 50 per cent and royalties to NNPC. the state-owned petroleum corporation, will be on a sliding scale from 16 per cent to zero, according to depth. Similar amendments will be made to terms for cootracts covering onshore olocks.

• The BP-Statoil ailiance, established more than two and a half years ago, expects to complete negotiations next year with authorities in Azerpaijan on terms and conditions to develop the Chirakh oil field, according to the chief executives of the respective

companies, writes Karen Fossli in Oslo-

Speaking in Stavanger at a briefing on the alliance's development, Mr David Simon of BP and Mr Harald Norvik of Statoil agreed that significant results had been achieved by the two companies in a very short time but recognised that its true test would he to hring production on stream with a resonable return on investment in the various areas where it was operating.

Mr John Brown, vice-president of exploration and development, said the Chirakh development could need investment amounting to "several tens of billions of kroner" bnt he would not be drawn on specific figures, which could be sensitive in current negotia-

The alliance believes the Chi. rakh field holds at least this barrels of oil. The two comes. nies aim to bring it on stream hy the end of 1997 with cutput of about 200,000 barrels a day.
In March, the alliance deliv.

ered results of a development

study for Chirakh to Socar, the

Azerbaijani state oll company and also results of a study on the prospects of exploring for oil and gas in the Shak Deniarea, in the southern part of the Caspian Sea. Elsewhere in the South Caspian Sea, the BP Statoil alliance is participating in a licence operated by Amoco, which has commenced negotiations on ohtaming a production sharing agreemen Next month it aims to bring on stream non productive wells in western Siberia that it has

rehabilitated.

Green shoots appear on Colombia's arid savannahs

John Madeley reports on a rice pasture experiment that is yielding dramatic results

THE FARMER looked bemused as he looked out on rice growing on flat savannah land in eastern Colombia. "It's too good to be true." be said.

Crops are a rare sight in the infertile and acid soils of South America's huge savannah lands, which cover almost half the cootineot's agricultural area and are particularly extensive in Brazil, Colombia and Venezuela. Although traditionally used for cattle ranching, the native savannah make

But ten years of research at the International Centre for Tropical Agriculture, in Cali, western Colombia has led to the development of a rice variety that grows in savannah soils. This could open the way for a substantial increase in hoth crop and livestock production on savannah lands, one of the last areas in the

poor pasture.

world not exploited by farmers. The centre's researchers now believe that the savannahs can sustain rice-pasture farming and that crops can be grown for the first time oo up to 240m hectares (600m ha) of savannah land - larger than the area of sub-Saharan Africa under food

The savannahs represents most of the area in the world that can be expanded for agriculture," says scientist Mr Richard Thomas With rice-pasture agricul-

ture, farmers plant their rice and pasture at the same time. After preparing and fertilising the land, they plant the rice in rows and scatter the pasture seeds, a mixture of improved grasses and legumes. Farmers harvest the rice after three to four months and then graze cattle on pasture. "The legumes pull nitrogen from the air, thus acting as a free nitrogeo fertiliser," explains Mr Thomas. He esti-mates that they effectively provide between 40 and 80 kg of nitrogen per hectare a year. faster on rice-pasture land. For the first farmers in Col-

ombia who tried the new system in 1992, results were dramatic. In all, some 4,000 bectares of savannah were planted with the improved grasses, legumes and rice. The unirrigated rice - adequate rainfall makes irrigation unnecessary - yielded an average of 3.1 tonnes a hectare.

n turn the quality of the pasture has been improved both by the new grasses and legumes and by the fertiliser that remains after producing rice; this means that farmers are able to increase the numbers of cattle on their land. Where they might have previously stocked one cow to every 10 ha, they can now start

to think in terms of two animals a hectare - a 20-fold increase The cattle also gain weight

Whareas farmers previously waited two years before taking their cattle to market, the centre's scientists are hopeful that they will now be able to sell within 15 or 16 months. Although there are large farms on the savannah lands, there are also many smallholdars with between 100 and 200 ha who make only a meagre living on the poor soils. By changing to rice-pasture they can grow a crop, which they have not done before, keep substantially more cattle and make their farms profitable.

There are also environmen-tal benefits. Many savannah pastures are over-grazed and the system could help to recover these lands and help to ensure they are farmed on a

believes that it could also be used in some Amazonian forest lands that have been badly damaged by indiscriminate log-

ging.
The centre's scientists stress that savannah soils are poor and that rice should not be planted continuously - "for no more than three or four years". says agronomist José Ignatio Sanz. Farmers should then leave the land purely for pasture for several years before growing rice again.

Positive

STATICE IN

generalis

Nor should rice be planted on its own on savannah land. If the new rice variety is grown in monocropping fashion on the savannahs, it may produce well in the first year, but yields will be down to almost nothing by the third.

We want farmers to understand that the system is fragtle," says plant breeder Mr Elcio Guimaraes.

NZ apple growers hail Japanese breakthrough

By Terry Hall in Wellington

NEW ZEALAND apple growers are licking their lips at the prospect of becoming the only foreign suppliers, apart from the Koreans, to bite into the lucrative Japanese market. Mr Jim Bolger, the prime minister, amounced in Tokyo this last week that he had been told by Japanese prime minister Mr Klichi Miyazawa to expect the han to he lifted within a few weeks.

New Zealand has been press ing the Japanese to open their market for New Zealand fruit for 20 years, and over the past year considerable progress has heen made on a protocol to cover trade in apples between

the two countries. Japanese growers have been battling against New Zealand access. Many other countries. including the US and Australia have been pressing Japan to relax its ban, but it is believed that New Zealand, having signed the complex protocols agreed by both countries, has a

considerable time advantage over its rivais. Under the agreement New Zealand will also import Japanese apples. The first are not expected to be sent till early next year, hut it is expected the trade could reach 10,000

tonnes in five years. Hitherto the Japanese have resisted imports of all apples, apart from Korea, because of

High/Low

1149 1193/1170

258.25 271/268

WORLD COMMODITIES PRICES

1124-5

um. 99.7% purity (5 per lor

1122-3 1145-6

1171-2 1181-2

Copper, Grade A & per

Lead (E per tonne)

Cach 3 months

apples will carry the codlin moth rest. Under the proposed joint venture scientists from both countries have been working on testing procedures.

Brian Aitken, group general manager fresh fruit exports for the Apple and Pear Board said that the agreement was a real hreathrough into a market that had been closed for many years. However he said he expected the trade would initiall; be small worth possibly NZ\$5m in the first year.

He said that under agreed protocol New Zealand would have to meet stringent standards. Orchards sending fruit to Japan would have to be isolated by a 500 metre "zone".

135,741 lots

210,299 lots

(Prices supplied by Amalgamated Metal Trading)

1144-45

Kerb ctosé Open Interest

Total daily turnover 43,583 lots

Total daily turnover 4.354 iots

AM Official

1121.5-2 1144.5-5

1149-9.5 1169-9.5

258-8.25 268-8.5

the perceived risk that the there would be strict furnigation requirements and cool stores and packing plants would be strictly controlled. We also have a lot to learn

about the Japanese market." Mr Aitken said he expected other countries, including the USt and Australia would now put pressure on the Japanese to open their market to them as well. "However having ploneered this protocol, we won't he rushing to let our rivals know all the details," he said.

Mr Aitken said that New Zealand had just made another breakthrough by signing a deal to supply 15,000 cases of apples to China. A similar deal had also been signed with Mexico another new market.

EC urges renewal of pact talks

THE EUROPEAN Community and developing countries in the African, Caribbean and Pacific (ACP) group have jointly called for the reopening of stalled negotiations for international cocoa and coffee agreements, reports Renter from Brussels.

"The [EC-ACP] Council [of ministers] hoped that the demonstrated political goodwill would be translated into an effective and economically viahle [cocoa] agreement," said a joint statement after a two-day ministerial meeting.

The EC and the ACP also called on producer and consumer countries to show flexibility to restart coffee talks.

MARKET REPORT

New York arabica COFFEE piices

were sharply higher at midday on what traders said was renewed speculative buying, stirred by news of declines in US warehouse stocks. Arter Monday's close tha Green Coffee Association said total US stocks in April fell by 518,000 bags to 9.59m bags (60 kgs each). New York's mova helped London robusie prices to break through 900 a tonne. New York raw SUGAR was broadly lower and on the defensive at midday on what traders salo was neavy technically induced commission house selling Analysts were at a loss for any fundamental reason for the move,

London Markets

	11410		
SPOT MARKETS			White
Crude oir ger batt 8 FOBjul	μ)	+ 07 ·	Aug
Dubai	\$15.38-5.30	iz085	Dec
Brent idlenti (daled)	518.11 -6.15		t-ter
Brent election	\$16.33-8.37		is firmy
W.T.i pt per usig	312. 7	52 -JC25	Aug
Oil products			White
INME there's certary be a	anas Ciz	+ 61 -	Aug '
Premium Geschoe	\$210-212		CRU
Ges Od Heavy Fuel Off	\$175-17B \$70-72	+2 ·1	
Naphtha	\$182-164	٠,	
Petroleum Argus Estunates	3.02.104		Jul
			Aug
Other		+ or -	Sep
Gold (per troy ozy	\$370 25	+2.05	Oct Dec
Silver (per troy oz)	45ü.5c	+5.0	IPE In
Plannum (per troy oz)	5352.25	4.25	
Palladauni (par Iron oz)	312C.10	+0.25	Tumo
Copper (UE Fraderics)	37.96		
Lead just Francisco	30.503		GAS
Tin (Kuse Lingur market) - Tin (New York,	14.05r 255.0c	+0.03	
Zinc (US Primo Wastern)	62.0c	-110	
			. Jun
Cattle five weight!	141.12p	± 1.56°	Jul
Sheep (inve weight) †	134.95p 90.79p	+0.24* +2.01*	Aug Sep
Pigs (live weight)1	au./ap	+2.01	Oct
London daily sugar (raw)	\$320.0	-4.9	Nov
London daily ouger (white)	\$304,0	-6.O	Dec
Tate and Lyle export price	£323 0	-1.5	Jan
Barley (English teed)	£113 0v		Feb
Matza (US No. 3 yellow)	£166.5		Mar
Wheat (US Den), Northerni	Unq		Turney
Rubbe: (Juni/V	37.75p	+6.75	
Rubon (55/#	Se.Co.	+0.75	
Rebour No. 450 No. 146y)	200.547		تاد ا
County of the participa	3421.5g	-5.0	3.03
Patri Ol Michigania	3367.3G		A. 5 \$31:
Copra (Frilippines)§	5272.5	-ë.O	331
Sovabeans (US)	£173 0z	+10	1
Cotton 'A' aide.	59.50c	-0.75	COT
Proglicos (648 Superi	578p		Live
			to 2
E a tonne unless otherwise c-centsrib. t-ranggit/kg. y-A v-Oct ¶London physical. SCII	e stated, p-p ug/Sep u-Ju F Retterdam,	rencerkg. n.zJuly ‡ Bullion	imp

to 20,485

agains? 220 tonnes in the previous we

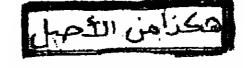
					Close	Previous	HIGHYLOW	
			day's three-yea	May	647	644	649 639	
high	of 13.20	6 cents	a lb in the July	Jul	670	667	672 661	
CONT	ract. CC	PPER :	staged a brief	Sep	686	684	686 677	
ally	in tha a	ftemoor	on tha LME	Dec	708 729	706	708 700	
but 1	the mov	a was s	nowing slans	Mar May	744	727 741	728 721 744 736	
			am by the end	Jui	758	754	758 751	
			e bearlsh	Sep	772	768	772 763	
	iment or			Dec	794		795	
			alers said news	Mar	91B	813	817 813	
						2915) lots of		
			in April US				per tonne). I	
firme	r tone, l	helping	buted to tha to spark soma		41 (712.9		0 day averag	le tor May
			er, the overall trengthened	COFFE	IF - Lond	on POX		\$/tame
by a	rise of	4,425 to	nnes in LME	_	Close	Previous	High/Low	
			r high oi	May	900	888	899 893	
	550 tonr			Jul	91B	982	920 885	
Co	mpiled	from H	euters	Sep	B1B	888	919 899	
				Nov Jan	923 900	897 904	923 907 930 912	
SUGA	R – Londo	n FOX	(5 per tonne	Mer	938	911	935 930	
White	Close	Previous	High/Low					
	****					109) lots of	o commen la per pound	n for May
Aug	304.80 299.70	310.00	309.50 302.00				15 day aver	
Oct	300.97	304.30	305.00 398.50 303.50 300.00	(53.18)				•
Mer	298.70	303.30	303.00 397.00					
is the same	300.30	305.20	306.70 301.50	POTAT	088 - La	edon FOX		£/tonne
Aug	304.60		310.10		Choose	Previous	High/Low	
William	1031 (573) 1	Paris- White	(FFr per tonne):	Apr	94.8	96.5	95.1 96.0	
Aug 16	74.58 Oct	1690.73						
CELED	E OIL EPI	=	\$/barre		r 21 (4U)	lots of 20 to	rines.	
					-	nidon POX	-	
	Later		 _	. ====	Close	Previous	High/Low	£/tonne
Jui Aug	18.33 18.49		18.48 18.30 18.60 18.43	Aug	143,00	- 1011111	142.50	
Sep	18.64		18.72 18.58	Oct	145.50	145.30	148.00	
Oct	18.70		18.75 18.70	Turnove		as of 20 ton		
Dec	18.56		18.85	I LLI INGTO	- 20 101 ~		100-	
IPE Ind	kex 18.43	18.60		FDF361	IT Lond		***	
Tumov	er f8206 (2)	08160		Prostor	Clase	Previous	#Igh/Low	dex point
				May	1629	1930		
GAS O	Q IPE		S/tonne	Jun	1545	1635	1630 1547 1640	
	Close	Previous	High/Low	Jul	1380	1375	1395 1379	
	450.55	470.50	470.75.474.00	Oct	1442	1439	1450 1438	
Jun	172.56 171.76	170.50 170.50	172.75 171.00 172.50 171.00	Jan Bři	1490 1603	1597	1490	
Jul Aug	173.50	172.25	173.76 172.50					
Sep	175.50	174.25	175.75 174.75	Turnova	r 388 (239)		
Oct	178.60	177.25	178.75 177.75					
Nov	180.50	179.76	190.75 179.75	GRAINS	- Londo	e FOX		£/tonne
Dec	182.50	161.50	182.50	Wheat	Close	Dradeus	10-2-2	
Jan	182,75	182.00	183.00 181.75			Previous	High/Low	
Feb	181.25		181.50 180.50	May Jun	142.00 140.75	142.75 141.80	142.75 141.	
Mar	177.25		177.75 178.60	Sep	108.05	141.00	141.25 140. 108.10	.20
THEY	r 12,649 89	6491 (alts of	700 tonnes	Nov	109.85	110.00	109.90 109.	85
	a imiasa ta	,		Mar	115.30		116.35 115.	
				Ma;	117,90	118.10	113.00	
JUTE	,		1	Barky	Closo	Providen	High/Lovr	
June!	July c and	1 Dundee E	TC \$33G. BWC IV		135.50		138.00	
A. 51	D \$305, BV	VD \$320; c	and I Antwerp BTC	May Nov	1G3.40	109.40	109.25	
\$315,	EWC \$325	, BID 528	5, 8WD \$295.		Wheat 1	26 (131), Ba		
						20 (131), Es		
COTT	ON							
Liver	pool- Spot	and shipme	nt sales amounted			AV :	C	
to 24	ili torrines f	OF UND WOR	k ended May 14,	P105	Losdon P	ux «	Cash Settlem	ent) p/kg

Previous 108,5

108.0

S INCHES ZUC.		210.	3 - 1	27 1/200		200-0.0	2/0.5-	1 20	LOSS ICES
Nicket (5 per ton	ne)						Total	daily turno	ver 12,300lot
Cash 5663 3 months 5730		5555	-65			5615-25			
	1-5	5625	-30	5750/555	0 .	5685-90	569C-5		,364 lots
Tim (S per tonne)						-	Total	quin pruo	ver 1,960 lots
Cash 5517 3 months 5575		5495 5555	-500 -8n	5575/554		5500-5 5580-70	5560-7		W7 (
Zinc, Special Hig				30107337		3300-70			257 lats
	5-8.5	970-		964.5/964			logi	OTIN TIME	rer 21,812lots
3 months 987-		983.5		990/975	' '	964.5-5 984-5	984-5	66	,573 lots
LIME Closing C/S	rate:								
SPOT: 1.5320		3 mon	ithus: 1.5	i210	8	months: 1	.517?	9 m	onths: 1,6023
LONDON BULLI	ON MA	PIKET			N	ew Y	Tork		
(Prices supplied t		Rothsch	49				UIR		
Gold (20y oz) S	price		viupe 3	alent	GOL	D 100 tros	oz.; S/troy o		
	0.00-37					Clase	Previous		
	5.30-361 6.60		230,843					H)gh/Lov	
	7.30		240.282		May Jun	375,6 376.0	367.5 366.0	373.0 376.5	373.0 367.0
Day's high 37	1.25-37	1.75			Jul	376.9	368.9	0	0
	5.75-360				Aug Oct	377.9 379.s	369 B 371.S	378.5	368.B
Loco Ldn Mean	Gold Le	ading F	latus (1	/s US\$)	Dec	381.3	373.3	380.2 382.0	371.1 372.3
1 menth	2.64	6 mor	nths	2.50	Feb	382.9	374.9	383 \$	374.9
2 months	2.59	12 m		2.50	Apr	384.6 386.3	376.5 376.2	379.5 382.5	376.8 382.5
3 months	2.54				DI AT		troy oz. S/tro		302.5
Silver fiz p/	roy oz		US des	edrija	-				
	7.95		440.30			Close	Previous	High/Low	
3 months 29 6 months 29	2.10 6.40		443.40 447.00		Jul Oct	391.0 389.3	385.4 383.7	392.C	382.5
12 months 30	5.25		455.25		Jan	389.0	383.2	389.0	381.0 384.5
					Apr	388.7	382.9	3860	382.0
GOLD COHES					SIL,V	ER 5,000 t	ray oz cento	po) oc	
	price		£ equals	rolont	_	Close	Previous	High/Low	
	86.00-3	70.00	_		May	460.6	440.3	461.5	460.5
Marke leaf	79.95-3		238.00	-242.00	Jun	461.3	441.0	0	0
	5.00-89	.00	55,00-8	56.CO	Jul Sep	462.5 465.7	442.2 445.2	463.0 466.0	439.5 442.5
					Dec	470.3	449.6	471.5	447.0
TRADED OPTIO	HS.				Jen Mer	470.9	450.2	480.5	460.5
Aluminium (99.7%	3	Calis		Puts	Mey	475.0 478.6	454.1 457.4	473.5 466.0	454,5 456 0
Strike price \$ tone		Sep		Sec	Jul	482.0	460.7	479.0	479.0
1125			<u>Jun</u>		Sep	485.8	464.3	0	0
1150	35 23	63 40	22 34	25 37	HIGH.	GRADE C	OPPER 25,0	100 lbs; cen	وطائدا
1175	14	29	50	50		Close	Previous	High/Low	
Copper (Grade A)		Ċalfs		Puts	May	79,85	79.06	80.30	79.25
1750		114	47	63	JUD	80.05	79.15	80.30	79.70
1800	62	88	70	66	Jul Aug	80.40 80.65	79.45 79.70	81.10 80.70	70.50 80.70
1850	42	66	100	114	Sep	80.95	80.00	81.80	80.05
					Oct	81.23	30.25	0	0
Cottee	Jul	Sec	Jul	Son	Nov	21.50	3G.55	Û	ō
350		<u>:</u> -		Sep	Dec Jan	81.80 31.85	33.85 31.00	32.15 €	81.35
380 900	75 40	91 81	T 22	23 43	Feb	52.20	41.25	0	0
350	13	40	S1	43 72	CRIM	E 08. 0 h	mp 42.000 U	S palle Sha	•
Cocoa	Jul	Sep		Sep		Latest			/IE
							Previous	High/Low	
700 725	7	28	37	42	Jun Jul	19.37 19.89	19.51	19.58	19.34
750	3 1	20 14	66 81	69 78	Aug	19.69 19.90	19.83 20:02	19.89 20.07	19.65 19.89
			٠.		Sec	20.04	20.15	20.18	20.02
Brent Grude	-				Oct	20.11	20.23	20.26	20.11
	和	Aug		Aug	Nov Dec	20.15 20.20	20.26	20.29 20.29	20.1S
1850	27	53	87	51	Jan	20.20	20.26	20.29 20.29	20.14 20.20
19 0 0 1950	1f 5	31 18	76	-	Feb	20.25	20.25	0	0
	5	15	•	•	Mar	20.24	20.24	Ō	Ŏ

Sep 95.20 59.35 59.35 59.30 59.10 All 605/0 599A/ 505/4 598 605/4	HEAT	TING OIL	12,000 US (jels, cents	/US galls	_ CH	nicag	JO		
Aug Sulph		Latest	Previous	High/Lo)W	- 80Y	ABEANS 5	000 by mint	contraction by	
Aug \$2.20 \$5.35 \$5.45 \$5.00 May \$0.576 \$9.94 \$0.570 \$9.95 \$9.95 \$9.00 \$1.00 \$9.94 \$0.00 \$9.94 \$0.00 \$9.95 \$9.00 \$9									_	
Sep 58.20 56.35 60.45 56.10						·			rigition	
Oct 57:20 57:35 57:35 57:30 Aug 60:27 59:48 60:50 59:40 59:50 59:40 59:50 59:3										5994
Nov 88.20 58.33 58.30 58.20 68.20 Sup 0.000 59.72 60.000 50.0000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.0000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.0000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.0000 50.0000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.0000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.0000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.0000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.0000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.0000 50.000 50.000 50.000 50.000 50.000 50.000 50.0000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.000 50.0	Oct									598/
Dec 69.25 69.25 59.20 69.07 69.05 59.07 69.05 59.07 69.05 59.07 69.05 59.07 69.05 59.07 69.05 59.07 69.05 59.07 69.05 59.07 69.05 59.07 69.05 59.07 69.05 59.07 69.07		58.20								
### \$1.50 \$9.00 \$9			59.25							
Professor Prof			59.70	59.70	59,50					
SOUTH SOUT			59.40	59.55	59.30					
Close Previous HightLow HightLow	Mar	58.00	58.00	58.10	58.00	_				0120
Close	COC	OA 10 ton	es,\$/tonnes			- SOY		80,000 lbs: 6	ents/its	
Mar. 1963 1987 1986 1981 1982 1985 1987 1985 1987 1986 1988 1985 1985 1987 1988		Close	Previous	High/Lo	w		_			
Sep 813 915 925 937 963 950 Sep 21.72 21.46 21.73 21.46 21.00 coc 955 957 963 950 Sep 21.72 21.46 21.73 21.74 21.7	Jul		887	896	881					21.00
Sep 595 967 963 950 Sep 21.72 21.46 21.72 21.46 wiley 1008 1014 1010 1007 Dec 22.05 21.56 21.83 21.85 wiley 1008 1014 1010 1007 Dec 22.05 21.56 21.83 21.85 Sep 1051 1056 1055 1055 1050 Mar 22.33 22.04 0 0 0 Sep 1051 1056 1055 1051 1050 Mar 22.33 22.04 0 0 Sep 1051 1056 1055 1051 1050 Mar 22.33 22.04 0 0 0 Sep 1051 1055 1055 1051 1050 Mar 22.33 22.04 0 0 0 Sep 1051 1055 1055 1051 1050 Mar 22.33 22.04 0 0 0 Sep 1051 1055 1055 1051 1050 Mar 22.33 22.04 0 0 0 Sep 1051 1055 1055 1051 1050 Mar 22.33 22.04 0 0 0 Sep 1051 1055 1055 1051 1050 Mar 22.33 22.04 0 0 0 Sep 1051 1055 1055 1055 1050 Mar 22.33 22.04 0 0 0 Sep 1051 1055 1055 1051 1050 Mar 22.33 22.04 0 0 0 Sep 1051 1055 1055 1051 1050 Mar 22.33 22.04 0 0 0 Sep 1051 1055 1055 1055 1050 Mar 22.33 22.04 0 0 0 May 18.48 1051 1051 1050 Mar 22.33 22.04 0 1050 Mar 11.57 11.55 11.55 11.55 11.55 11.55 11.55 11.55 11.55 11.55 11.55 11.55 11.05 11.42 11.27 11.55 11.55 11.55 11.55 11.05 11.42 11.27 11.55 11.5	Sep				911					
Section Sect										
10.00 10.01 10.01 10.00 10.0										
Sep 1051 1058 1055 1056 1056 Mar 22.33 21.95 22.13 21.95 22.13 21.95 20.00 0 0 0 0 0 0 0 0 0						Dec	22.05			21.78
Dec 1983 1988 1981 1981 1989 1981 1981 1981 1981 1981 1981 1981 1981 1981 1982 1984 1984 1982 1984 1982 1983 1982 1983 1982 1983 1							22.13	21.65		21.94
Close						Mar	22.33	22.04	0	_
Close	Mar					SOYA	BEAN ME	AL 100 tons:	S/ton	
May 62.50 59.85 81.40 60.50 Aug 190.3 192.4 193.1 194.5 195.5	COFF	EE "C" 37	.5000bs; cer	ts/the						
May 62.50 59.85 81.40 60.50 Mal 90.52 189.7 191.3 192.4 190.1 Mal 63.30 59.85 63.40 81.00 Sep 180.8 185.7 191.3 198.3 Sep 65.15 81.56 62.76 GC 67.65 84.35 67.70 85.50 Coc 68.50 71.00 71.00 Coc 68.50 71.70 71.50 Coc 68.50 71.70 71.70 Coc 68.50 71.70 71.70 Coc 68.50 71.70 71.70 Coc 68.50 71.70 71.70 C		Close	Previous	High/Los			194,8	192.7	195.0	192.9
Mar	Mare	60 50	E0.00	<u> </u>				190.3		190.0
Sep 65.10 81.95 65.15 62.75 Cot 190.9 190.1 191.3 192.8 191.4 192.6 Cot 67.76 94.35 97.70 65.50 Dec 192.0 191.3 192.8 191.7 193.3 192.1 May 71.85 68.25 71.00 71.00 Mar 192.7 192.1 0 0 Makize 5,000 bu min; cents/56b bushel . Close Previous HightLow May 224/6 221/6 225/3 227/2 224/0 226/4 11.27 11.50 11.42 11.27 11.50 0 0 Close Previous High/Low 11.27 11.50 11.42 11.20 1								189.7	191.3	189.5
Dec 197.65 84.35 677.70 85.50 Dec 192.11 193.3 192.5 193.5									191,4	189.5
Air 88.90 68.80 70.00 67.75 Air 71.85 88.25 71.00 71.00 Air 77.85 88.25 71.00 71.00 Air 77.85 88.25 71.00 71.00 Air 77.85 88.25 71.00 71.00 Air 72.85 88.50 0 0 Air 72.85 70.85 0 0 Air 72.85 70.85 0 0 Air 72.85 70.85 12.97 Air 72.86 12.97 12.86 12.25 Air 71.92 11.72 11.67 11.43 Air 71.85 11.52 11.72 11.67 11.43 Air 71.85 11.50 11.42 11.27 Air 71.50 11.42 11.27 Air 71.50 11.42 11.27 Air 71.50 11.42 11.27 Air 80.85 80.80 0 0 Air 72.87 80.87 80.85 90.30 Air 81.75 80.85 90.30 Air 81.75 80.85 90.30 Air 91.85 81.85 81.85 81.20 Air 90.85 80.85 80.85 89.30 Air 91.85 81.85 81.85 81.20 Air 90.85 80.85 80.85 89.30 Air 91.85 81.85 81.85 81.20 Air 91.85 81.85 81.85 81.85 81.85 81.85 81.85 81.85 81.85 81.85 81.85 81.85 81.85 81.85 81.85 81.85									191.5	190.1
May 71.85 68.25 71.00 71.00 Mar 192.7 192.1 193.3 192. Mar 22.87 68.50 0 0 0 MARZE 5,000 but min; cents/556 bushel Close Previous High/Low May 11.236 12.97 12.85 12.25 Dec 23.92 227/2 229/4 227/2 Det 12.29 12.83 12.59 12.22 Dec 23.92 237/6 239/4 238/4 Aug 11.83 11.57 11.52 11.63 Mar 245/6 244/2 246/0 244/2 Det 11.30 11.80 0 0 Close Previous High/Low Det 11.30 11.83 0 0 0 Close Previous High/Low Det 11.30 11.83 0 0 0 Close Previous High/Low Det 22.0 81.75 80.57 81.75 90.73 Dec 311.00 30.04 398/4 358/4	Mar									191.3
March 1927 1921 0 0								-	193.3	192.2
Sugar World Fight Sugar	Jul									0
Close Previous High/Low May 224/6 221/8 225/3 228/4 227/6 12.35 12.97 12.85 12.25 Sup 223/6 239/2 234/0 232/4 223 12.28 12.28 12.28 12.22 Doc 239/2 237/6 239/4 233/8 233 11.38 11.57 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 11.30 11.50 11.42 11.27 12.30 12.30 12.30 13.30 13.45 13.50 13.50 13.30 13.30 13.44 13.45 13.45 13.75 13.00 13.25 13.45 13.75 13.00 13.00 13.00 13.45 13.75 13.00 13.00 13.00 13.45 13.75 13.00 13.00 13.00 13.45 13.75 13.00 13.00 13.00 13.45 13.75 13.00 13.00 13.00 13.45 13.75 13.00 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.75 13.00 13.00 13.45 13.45 13.75 13.00 13.00 13.45 13.45 13.45 13.45 13.00 13.45 13.45 13.45 13.45 13.45 13.45	Sep			0	0	MAIZI	5,000 bu	min; cents/56	ib bushei .	
12.35 12.97 12.85 12.2	SUÇA	R WORLD	717 112,0	00 lbs; cen	ts/lbs		Close	Previous	High/Low	
12.36 12.97 12.65 12.2		Close	Previous.	High/Los	·				225/0	222/2
Det 12.29 12.83 12.59 12.22 Dec 239/2 234/0 238/4 238/4 11.52 11.55 11.52 11.43 Mar 245/6 244/2 248/0 244/6 244/6 244/0 244/6	lul .	12.35	12.97	12.66	10.00					. 227/4
### 11.52 11.72 11.67 11.43 Mar 245/8 244/2 248/0 244/8 244/2 248/0 244/8 244/2 248/0 244/8 244/2 248/0 244/8 244/2 248/0 244/8 244/2 248/0 244/8 244/2 248/0 244/8 244/2 248/0 244/8 244/2 248/0 244/8 244/2 248/0 244/8 244/	Oct									232/2
11.38 11.57 11.52 11.25 11.25 11.25 11.27 11.30 11.38 0 0 0 0 0 0 0 0 0	Mar	11.52								238/0
11.27 11.50 11.42 11.27	Vizy		11.57			_				244/2
Close Previous High/Low Jul 297/0 294/0 29	Aui Oct				11 <i>.2</i> 7	WHEA	T 5,000 bu	min; cents/6	Olio-bushel	
Ciose	COLLIC	ON 50,000:			<u> </u>			Previous	High/Low	
Sep 292°6 297°0 300/4 298/4 Set 60.58 60.27 60.85 90.30 Set 59.78 60.67 81.75 90.73 Set 60.58 90.27 60.85 90.30 Set 59.78 60.85 90.30 Set 91.70 80.85 90.75 Set 91.70 80.85 Set 91.70 90.74.25				17-6						3594
S1.75 60.67 81.75 90.73 Dec 311/0 308/0 311/6 307/7 60.85 90.30 Mar 317/0 314/4 318/0 314/4	_			- INDIVIOU	<u></u>					
Sec. 58.76 59.32 69.85 69.30 Mar 317/0 314/4 318/0 314/4 3					90.73					
Live Cattle 40,000 lbs; cents/lbs Close Previous High/Low					90.30	Mar				
Close					69.30					3144
Close						DAE C	MITLE 40.	000 lbs; cent	s/ibs	
Clase	w W						Close	Province	Ulate a succ	
RANGE JUCE 15,000 be: cents/bs Close Previous High/Low Disposition 105.95 103.25 106.50 101.20 Apr 73.900 73.825 73.850 73.800 72.80 pp 106.75 106.30 109.00 104.25 Apr 73.490 73.825 73.850 73.40 pp 106.75 106.30 109.00 104.25 Apr 74.390 74.700 74.550 74.700 pp 110.90 109.00 110.90 106.50 IIVE HOGS 40,000 b; cents/bs LIVE HOGS 40,000 b; cents/bs Close Previous High/Low LIVE HOGS 40,000 b; cents/bs Close Previous High/Low LIVE HOGS 40,000 b; cents/bs Close Previous High/Low LIVE HOGS 40,000 b; cents/bs Close Previous High/Low LIVE HOGS 40,000 b; cents/bs Close Previous High/Low Apr 42,850 43,950 43,150 43,300 42,959 Discrete Hogs 40,000 b; cents/bs Close Previous High/Low POSK SEELLES 40,000 b; cents/b Apr 42,850 44,000 42,975 Apr 42,850 44,000 44,000 42,975 Apr	Oct					-	77.5		URBRIDA	
Close Previous HighVLow Dec 73,900 74,425 74,200 73,900 73,400 73,925 74,825 74,825 74,900 73,900 74,700 74,500 73,900 7										75.82
Close Previous High/Low Dec 73,900 74,425 74,400 73,85 73,850 73,450 73	HAN		15,000 lbs;	COURTY TOS						72.800
105,95 103,25 108,50 101,20 101,20 108,75 108,30 109,00 104,25 108,75 108,30 109,00 104,25 108,50 109,00 104,25 108,50 109,00 104,25 108,50 109,00 108,50 108,50 113,25 110,25 111,40 110,00 111,95 113,45 111,75 113,00 111,95 113,45 111,75 113,00 111,95 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 113,45 111,75 0 0 Jul 50,600 50,750 50,850 50,45 50,400 41,000 42,975 44,000 44,050 44,0		Close	Pravious	Marie .						74,000
18.85 108.55 108.50 101.20 104.25 108.50 101.20 104.25 108.50 109.00 110.90 108.50 108.50 111.25 110.25 111.40 110.00 111.345 111.75 113.00 111.95 111.45 111.75 114.00 111.95 111.45 111.75 114.00 111.00 111.00 111.45 111.75 114.00 111.00 111.00 111.45 111.75 114.00 111.00 111.00 111.45 111.75 114.00 111.00 111.00 111.45 111.75 114.00 111.00 1		-		mgrvupii	<u>'</u>					73.854
Dec 109.00 109.00 104.25 109.00 104.25 109.00 109.00 104.25 109.00 109.00 104.25 109.00 109.00 104.25 109.00 109.00 109.00 104.25 109.00 109.00 109.00 109.00 109.00 119.55 111.75 111.75 114.00 111.95 111.75 114.00 111.00 111.00 111.45 111.75 0 0 113.45 111.75 0 0 0 0 0 0 0 0 0				106.50	101,20					
Arr 113.45 111.75 113.00 111.95				109.00	104,25					74,300
Arr 113.45 111.75 113.00 111.95					108.50	LIAE H	OGS 40,00	O IC; certo/ib	8	
113.45	lar									<u> </u>
5 113.45 111.75 0 0 0 Jul 50.600 50.750 50.850 51.47 cp 113.45 111.75 0 0 Jul 50.600 50.750 50.850 50.45	Lay	113.45				<u></u>				
113.45 111.75 0 0 0 0 0 0 0 0 0	Li .		111.75						51.850	S1.475
Cot 49.250 43.150 43.300 42.55	op	113.45	111.75						50.850	50.450
### PORK ### 18					-					4 <u>8.2</u> 75
ABUTERS (Base:September 18 1931 = 100) May 18 May 17 mmth ego yr ago 1676.3 1881.7 1650.2 1582.4 DOW JONES (Base: Dec. 31 1874 = 100) May 17 May 14 mmth ego yr ago 119,18 119,32 124,91 118,88 July 119,18 119,18 121,52 121,94 119,47 Feb 41,200 41,675 44,100 42,929 May 17 May 14 mmth ego yr ago May 18 May 19 May 14 mmth ego yr ago July 42,875 44,500 44,000 42,500 May 40,775 41,975 41,975 May 40,050 41,675 41,975 May 40,050 41,075 44,1775 May 41,000 41,075 44,075 41,975 May 42,875 44,500 44,000 42,500 May 18 May 19 May 19 May 19 May 19 May 42,875 May 40,075 41,975 41,975 May 41,000 41,000 42,975 May 42,875 44,500 44,000 42,975 May 19	DED	CER							43,300	42.950
Apr 41,000 44,000 42,975 44,100 42,975 42,875 42,000 42,875 42,000 42,875 42,000 42,875 42,000 42,875 42,000 42,875 42,000 42,875 42,000 42,875 42,000 42,875 42,000 42,875 42,000 42,0										43.950
May 18 May 17 mmth ego yr ago 1978.3 1981.7 1950.2 1592.4	MEU.	四名 (285	e:Septembe	1B 1931	a 100)					43,975
1678.3 1681.7 1650.2 1582.4	_	May 18	May 17						43,000	42.850
Close Previous HighTLow			1561.7	1650.2	1500	PORK		0.000 Ros ce	nts/fb	
port 119,18 119,92 124,91 118,88 Aug 42,875 44,500 44,000 42,500 futures 121,69 121,52 121,94 119,47 Feb 41,300 41,675 41,775 41,160 futures 40,000 42,000 futures 40,000 f	DOM	JONES (100)					
119,18 119,92 124,91 116,88 Jul 42,750 44,200 44,000 42,92 idures 121,69 121,52 121,94 119,47 Aug 40,775 41,975 41,800 40,500 Feb 41,200 41,675 41,775 41,160 Mar 40,050 16,675 41,775 41,160			May 14	minth ago	уг адо		42.875	44.500	<u> </u>	40 500
Hungs 121.69 121.52 121.94 119.47 Feb 41.975 41.975 41.975 41.980 40.399 Feb 41.200 41.675 41.775 41.1975 41.1	Spot	119.18	119,92			Jul				
Feb 41,200 41,675 41,775 41,160	-until	a 121,69	121.52							
74 40 050 40 000					1					
						MILE	40.050	40.800	91.778	40.050



34 52 19.33

lur น่ร-

FT-A ALL-SHARE

1403.74 -3.32

3.70

3.70

3.91

21.53

20 18 30.97

28.83 20.62

24.75 20.09 44.78

18.92

By Terry Byland, UK Stock Market Editor

A FRISSON of nervousness over US interest rates ran through the London stock market yesterday afternoon, helping to undermine confidence which had been boosted at first by favourable reports on retail sales from the Confederation of

British Industry. An early gain of 11 points on the Footsie was cut back after official statistics for March showed a fall of 0.3 per cent in domestic manufacturing output and of 1.3 per cent in industrial production. This cast a shadow over the progress of the economic recovery implied by the CBI report.

Equities had also been helped at the opening of trading by favourable corporate trading reports. Results from British Airways were overshadowed by the expected rights issue which, at £442m, was a shade smaller than the market had been expecting. Profits and dividend from Marks and Spencer, the premium high street retailer, were well received and, although the shares turned down later, traders rejected market gossip of a

possible rights issue. The UK economic data unsettled equities, which were soon given further downward impetus from the stock index futures, where the June Footsie contract dipped to a discount to fair value for much of inflation may prompt the Fedthe session.

With the institutions clearly taking a reserved attitude business only just retail cleared the fibn mark on Monday - shares extended their

However, the more significant blow to the market came when London traders caught the hint of New York worries that the revived concern over

I on the tracing volume for a selection of Alpha secur led down. T indicates an FT-SE 100 index constribution

Scottish Power, expected to

announce a 10 per cent increase in the dividend total

when it announces its full year

results tomorrow, moved up 4

The strength of the genera-

tors' shares powered the elec-

tricity sub-sector of the FT-

Actuaries Indices to a 1.1 per

cent rise, compared with a 0.3

sector and a 0.4 per cent

decline in the FT-SE 100 Index.

Reports of aggressive views

from the chairman of French

food manufacturer BSN hit

related stocks in the London

market. Mr Antoine Riboud

said that BSN was being pres-

sured by retailers to lower

prices. While resisting this, he

said the group would respond aggressively on price to protect

its market share. Food special-

ists also took fright at com-

ments on the downturn in trad-

ing in Europe as recession took

United Biscuits fell 9 to 412p.

BSN is the top biscuit producer

in Europe. Unilevar, which

competes with BSN on some

frozen products, lost 22 to

1036p. Northern Foods also

retreated, by 8 to 262p, while Cadbury Schweppes relin-

International conglomerate

BAT Industries and Hanson

failed to inspire the market

with their respective trading

statements and results yester-

BAT, which has suffered

heavily over US cigarette price war worries, was particularly badly bit as a cautious annual

statement highlighted the slug-

gish world economy and the continuing US worries. The

Hanson's half-year profits of

2507m were at the top end of

forecasts but the company said

most of its markets remained

gripped by recession and it

would see little, if any, boost in

1993 from the tentative evi-

dence of an upturn. Investors

saw a chance to take profits

and sold the shares down 5% to

237¼p on hefty 10m turnover. Mr Paul Beaufrere of agency

broker James Capel favours

Hanson over BAT but argues

that both companies were now offering a solid yield above 6

per cent and should be bought

Up-market retailer Marks and Spencer saw its shares roller coaster through a 20-

point turnround as it reported full year results. The figures

came in at the top end of

expectations and the shares

surged on the news. However,

a seemingly downbeat analysts

meeting, followed by further

inspection of the results, saw tha shares marked sharply back. They finished the day 91/2

said to have moved the stock

off its buy list to a hold.

hy long term investors.

Marks easier

shares fell 24 to 844p.

Blue chip caution

quished 9 to 447p.

Food stocks hit

per cent gain in the water sub-

to 311p.

eral Reserve to raise interest rates. With hopes of a rate cut at today's Bundesbank meeting also fading fast, the UK market fell more than 12 points to a day's iow of 2,845.9. London's unhappiness was pressed home by an early decline of 16 points in New York's Dow Industrial

TRADING VOLUME IN MAJOR STOCKS

FT-A Ali-Share Index

Equity Shares Traded

Marks' premium market rat-

ing, the prospective earnings growth was around half the

average forecast for the All-

Share in the next year. "inves-

tors are looking for more

dynamic recovery stocks than

M&S" was the comment from

one stores analyst. One of the

issues to unsettle the market

and compound the uncertain-

ties over earnings growth was

the size of the company's pro-posed wage award. Rumours

late in the day that M&S might

be considering a fund-raising

exercise to tie into low interest

rates were dismissed by ana-

Television stocks perked up on the the implications of the

sale by W.H. Smith of its 14 per

Smiths sold its 7m shares at

200p apiece to LWT Holdings which subsequently

announced that its was taking

over Yorkshire's crumbling

advertising sales section. The stake sale had been anticipated

for some time and bad

cent stake in Yorkshire Televi-

TV stocks firm

10.8 on the day at 2,847.3. Although Seaq volume increased to 633.4m shares from the previous day's 533.8m, traders stressed that genuine customer business remained relatively poor.

Continued activity among the second line Issues brought a gain of 5.2 to 3,151.2 in the At the close the FT-SE 100 FT-SE Mid 250 Index, which lndex, sustained by a rally in earlier mounted another chal-

lenge to its previous peak of 3,154.7. Non-Footsie trades made up only about 56 per cent of the day's total, however, reflecting the concentration on a heavy list of blue chip profits announcements.

FT-SE 100

2847.3 -10.8

2847.3

3151.2

1814 02

1403.74

FT-SE 190

FT-SE 14M 250

FT-A ALL-SHARE

FT-SE SmellCap FT-SE SmellCap ex lov 7

London strategists put the best face possible on yesterday's market performance, but admitted that uncertainty over the pace of the economic recovery in the UK has been joined by worries over the outlook in continental Europe and in

Warnings of competitive strains in the food industry from BSN, of France, unsettled Unilever and some other food industry issues - although these factors were counterbalanced hy renewed hints of

impending acquisition moves. Nor did confirmation of British Airways' funding move, and firm rejection of any such plans by Allied-Lyons, remove the market's fears that it could be hit by further rights issues on top of the BT III sale and a heavy funding programme in the giit-edged market

	t Deating	Maries
First Dealings: May 10	May 24	Jun 7
Option Declaration May 20	ond: Jun 3	17 استاد
act Dealings: May 21	Jun 4	Jun 18

Positive stance on generators

A CHANGE of stance by one of the market's leading securities bouses saw the two English power generators substantially outperform the utilities areas

and the wider market. S.G. Warburg Securities was said by dealers to have shifted its recommendation on National Power and PowerGen from "add" to "buy". Warburg was said to have emphasised the two companies' "extremely encouraging" dividend growth prospects, and to have told its clients that it was not unduly concerned by the supposed reg-ulatory threat to the two

National Power raced up to end 9 higher at 333p on turnover of 2.6m shares, while PowerGen settled the same amount to the good at 343p

after trade of 3.1m. Along with other brokers, Warhurg expects the generators to achieve dividend Increases of 15 per cent or more over the next few years. The regional electricity companies are scheduled to report preliminary results starting next month and are expected to post dividend rises of up

NEW HIGHS AND LOWS FOR 1993

NEW HEGHS (157).

AMERICANS (1) Allegheny & Wistn.,
CANADANS (1) Allegheny & Wistn.,
CANADANS (1) Guif Can., BANKS (1) Mitsul
T & B. BREWERS (1) Wistherspoon, BLIDG
MATLS (1) BANSS, Bloodleys, Gibbs Dandy,
Lilechall, FMC, Sharpo & Faher, Shaffeld
Instite, BUSINESS SERVIS (3) Dart, Pago,
Secungund, CONGLOMERATES (4) AGA.
Tracking Hea., Do A. Wessal, CONTG &
CONSTRON (12) Bryant, CALA, Countryside,
Glocson, McCarthy & Sizna, Maunders, Movelen,
Persumon, Prosetro, Taylor Woodney, Ward
Heigs, Wessool, Editor Woodney, Ward
Heigs, Wessool, Editor PL, Ericason, Oxford InstraELECTRONICS (3) Acad. Borland, Diploms,
Logso, Lyne, ENG GEN (7) Chyde Blowers,
Holl, Hopkinsons, Syltone, VSEL, Vroper, Wilson,
POCID MARSUF (2) Acades & Herban, Berleiond,
POCID RETAILING (1) Grops, HEALTH &
HSENOLD (2) Kynord, Regina, Basce
COMPOSITE (1) Domestic & Gan., 19th TRUSTS
(2) Aberloth Smith, Co's, Aberloth Spitt Level
Cap, Anglo & Creens, Brazilan Wes, Candeney,
Orayion Asia Was, Elect & Gan., Fidelity Japanio
OTC Whs., General Cons. Cap., Govet Clarific,
JF Pacific Wrt., Japon OTC Wis., Orleand Smit.,
F Pacific Wrt., Japon OTC Wis., Orleand Smit.,
FT Cap, Do Tvigo Co. '10, River & Mestr.,
Smit. Co., Scot. Asian, Spinez Zero Pf., St.
Dark's Gop., Throgmorton, Turkey Tat. Wis.,
MEDIA (10) Abbott Mead V., Angla TV, Bordan
TV, Contral TV, Headeline, Passinon, Genfing
Public, Telegraph, Yorks, Tynn Teen TV, Do
Wis., &Berchilant Earlos, Passino, Genfing
Public, Telegraph, Yorks, Tynn Teen TV, Do
Wis., Smith New Court Cv. Pt., Swise Pacilic,
PACKG, PHORP I SPIRITIO, Shance, Land, Do.,
Nacc, Phorp I S., Bradford, Brt., Lond, Do.,
Nacc, Phorp I S., Bradford, Brt., Land, Do.,
Nacc, Phorp I S., Bradford, Brt., Lond, Do.,
Nacc, Phorp I S., Bradford, Brt., Lond, Do.,
Nacc, Phorp I S., Bradford, Brt., Prodrien,
Mountwick Ests., Tomor Centre, Webs Chy,
Of Lon., Wood 60, J., STONES (8) Ashley (1,
Cap, Shop Pl., Cardd, Chasterledd, Q.
Portland, Land Soc., Messon, Spinion, TRANSPORT
Cand Shape, Packer, Spinion, Passino,
Mountwick Ests., Tomor Centre 28 EHL Altways Phote Cv., Sea Critis, Schill AFFECANS (1) Gold Fields, Marries (14), MERI LOWS (28), MERI LOWS (28), MERI LOWS (28), MERI LOWS (28), Exch. 13/spc '34, Exch. 13/spc '37, Exch. 1

down at 345%p in turnover of 12m. Kleinwort Benson was one of a number of brokers

EQUITY FUTURES AND OPTIONS TRADING A BOUT of nerves concerning interest rates in both the US and Germany, worries over the outcome of yesterday's referendum in Denmark on the Maastricht treaty, and poor economic UK data combined to bring a retreat in stock index

futures, writes Joel Kibazo. The June contract on the FT-SE 100 opened at 2,864, around the level of the previ-

ous night's close, but drifted down on concern about the progress of politing in Denmark and on whether the Bundesbank will reduce inter-

est rates today. The release at 11.30am of UK industrial ontput figures showing a 1.3 per cent fall served to increase the downward pressure on the contract. Worries about US Interest

rates and the poor performance of Wall Street brought a further decline and June fell to the day's low of 2,854, although bargain hunting saw it come off the bottom to close at 2,858, around 7 points ahead of its fair value premium to cash. Turnover remained light, totalling 7,527

lots. In traded options, volume active stock options.

improved to reach 29,395 contracts, of which 7,163 were dealt in the FT-SE 100 option and 1,995 in the Euro FT-SE 100 option. Hanson, which reported figures yesterday, was the busiest stock option at 4,055 lots. It was followed by Marks and Spencer, which also reported figures, at 2,038. Glaxo, BT and BTR were other

needed advertising following the takeover of a US hoost, analysts said. The

shares rose 13 on the news and closed 6 higher at 178p. The focus on advertising also encompassed Anglia, up 7 at 286p and Scottish 6 better at 569p. Meanwhile, W.H. Smith slipped 2 to 438p.

Switching from Lloyds Bank into Barclays saw the latter advance 7 to 446p on befty turnover of 4.9m and the former slip 3 to 542p on 4.1m shares traded. First-quarter figures from

tations. Sedgwick shares slipped 3 to 167p on above average turnover of 3.2m. Fisons shed 7 to 165p as the sale of its north American bor-

Sedgwick the insurance broker

were £1.5m below most expec-

ticulture business for \$60m failed to reassure. Gases and healthcare group BOC fell 17 to 681p as the com-

pany announced improved first half profits but said that the outlook was sluggish. GEC was among the market's most heavily traded BRIT while the figures confirmed stocks closing 2 harder at 319p with at least two leading brok-

ing houses said keenly supporting the shares. Linx Printing Technologies slumped 36 to 139p, after 121p, following a profits warning. following a profits warning.
The market appreciated the The market appreciated the terms of the well signposted rights issue from British Airways. The £442m cash call was announced with year end cash to fill the terms of £185m at the bettom results of £185m, at the bottom end of market expectations. However, analysts were encouraged by the fact that

looked good. The shares finished 9 better at 306½ in trade of 3.3m.

Securiguard, the business services group, jumped 104 to 289p, after environmental services company Rentokil surprised the market by launching a hostile £59.2m hid to help its move into security services

| Reg to the trade of the property of the trade of the tr looked good. The sbares finits move into security services

one-off items had played a sig-nificant part in the profits

decline and future prospects

in the UK and USA. The company urged investors not to accept the 270p a share offer and analysts predicted a long battle. The shares are tightly held and turnover was thin. Rentokil fell 4 to 193p.

prompted a certain amount of hid speculation. The appear-Fears of stiffer US competition for TI Group prompted the ance of LWT removes the shares to fall 5 to 325p. The potential bid value but fears surround TI's landing forting shareholder fit and a gear manufacturing husiness

replaces it with a more com-FINANCIAL TIMES EQUITY INDICES

Ordinary		2218					231.1	2129.5	2290.5	2124.7 4.07
Ord. div	yield	4.21					4.15	4.32 6.18	4.52 6.38	5.79
Estaing	yld % ha	6,00					826	20.57	22.04	18.40
P/E retir	net	20.2					19.78			18.14
P/E make		18.8					18,49	19.12	20.30	60.0
Gold Mile	86	165.	5 1 68	.8 165 e comple			150.1	1128	166.8	
Ovdinary	Share by	orty cha	aget.							
Open	9.00	10.00	11.00	12.00	13.90	14.90	15.00	15.00	High	سور ا
2228.5	2230.9	2233.2	2227.5	2225.8	2219.4	2219.2	2219.1	2214.6	2233.4	2214
Volunte		M	ay 18	May 17	May	14	May 13	Mag	12	ear 200
ecan be			A 59A	30,271	28		29,260		387	27,447

May 18 May 17 May 14 May 13 May 12 ago "High "Low

London report and latest Skare Index Tel. 0891 123001. Calle charged at 36p/minute cheep rate. 48p at all other firms

interim profits at Fenner left the shares 6 lighter at 77p. Results from Allied Lyons came in line with market forecasts and the shares marked time at 543p.

Leading textiles groups were cer figures which hinted at improved volumes. S.G. Warrose 3 to 237p ahead of a pre sentation by Car Kitcat & Ait. ken on Friday. Courtaulds Tex-

Steve Thompson,

rival. The 95 per cent decline in

boosted by the Marks & Spenburg's textile analyst said there were relative merits for the suppliers. Coats Viyella tiles gained 10 to 544p.

MARKET REPORTERS: Christopher Price,

Peter John, Joel Kibazo.

2 Building Materials(27)	1094.89	-0.8	1103.27	1096.82	1093.57	1104.45	4 63	4.43	26 46	18.33
5 Contracting, Construction(29)	967,76	+05	982.36	976.64	976.95	1052.01	1.89	3.36	80.001	11.57
4 Sectricals(15)	2868.59	+06	2871 61	2870.40	2887 60	2744.49	5 18	4.68	24 58	65.13
5 Electronics(37)	2675.38	+0.6	2859.79	2654.65	2643,73	2037 99	5 92	2.99	21.36	18 74
B Engineering-Aerospace(7)	387.32	+0.9	383.82	383.14	381 82	402.23		3.81	ŧ	4 61
7 Engineering-General(51)	562.88	-01	563.15	563.98	566 04	566.03	8 80	3.75	18 30	7.08
8 Metats & Metal Forming(11)	423.20	-01	423.73	422.96	423.47	374 19	4 98	291	35.18	0.65
9 Motors(18)	393.89	-05	396.00	395.20	400 79	367.24	5.04	5.80	36 40	9 52
18 Other Industrials(16)	2021.29	-0.5	2031.29	2030.00	2021.26	1892.73	5.63	4 06	21.71	37.38
21 CONSUMER GROUP(234)	1650.45	-0.8	1659.97	1645.99	1651.47	1731.17	8 96	3 45	17 67	18.71
22 Brewers and Distillers(29)	1899.08	-0.6	1071 18	1908 03	1933.66	2215.44	8.51	3.65	1426	20 05
25 Food Manufacturing(22)	1318 42	-1.5	1338.74	1334 70	1352.66	1306.98	7 43	3 04	18 26	22.09
26 Food Retailing(18)	2881.37	-04	2894 31	2870.62	2876 63	2973.03	8.83	3 58	14.46	19.55
27 Health & Household(25)	3649.70	-0.7	3677 22	3604.57	3500.B5	4118.87	8.27	3.11	18.44	41 02
29 Hotels and Leisure(20)	1272.13	+0.6	1264.78	1255.36	1239 46	1430.03	8.56	4 56	16 37	25.13
30 Meda(33)	1905.52		1905.70	1901.93	1902.82	1668.90	5.25	2.69	23 56	22.97
31 Packaging and Paper(24)	836.96	+0.2	835.42	840.08	845.26	853 31	6 09	3.47	20.17	18 34
34 Stores(39)	1160.57	-0.8	1169.97	1160.50	1155 90	1105 66	6.21	3.10	21.30	8.36
30 Textiles(20)	803.43	+0.9	796.63	793.24	793 52	744.84	5 70	3 82	22.34	18.92
40 OTHER GROUPS(142)	1469.49	-0.2	1472.77	1471.21	1471 72	1335.46	7 <i>7</i> 9	4.31	15.63	16.21
41 Business Services(27)	1594.23	+0.7	1583.00	1583.99	1583.46	1489.18	5.72	3.18	21 43	14 18
42 Chemicals(23)	1504.08	-0.6	1513.09	1515.93	1520 30	1598.04	5.96	4 59	21.21	24.53
43 Conglomerates[11]	1453.35	-1,0	1468.44	1457.21	1452.33	1440.97	7.23	5.18	15.50	19.36
44 Transport(15)	2843.21	+0.5	2828.98	2635 67	2826.99	2745.62	6.55	3.96	18-81	42.52
45 Electricity(16)	1673.73	+1,1	1655.49	1660.24	1683.30	1302.23	12.95	4.30	9.53	29.90
48 1elephone Networks(4)	1732.00		1732.38	1721.00	1694.81	1449 88	5.81	3 85	21.33	1.63
47 Water(13)	3312.00	+02	3304.45	3329.68	3393.45	2887.63	13.61	5.02	8.18	11 63
48 Miscellaneous(32)	2243.86	-21	2291.67	2293.47	2313.14	2122.48	7.20	4.53	17.30	41.41
49 PADUSTRIAL GROUP(589)	1435.57	-04	1440.85	1434.54	1435.24	1406.26	6 81	3 83	18.19	17 04
51 OA 8. Gas(18)	2497.45	-0.3	2504.42	2518.70	2535.65	2104.37	5.59	4.38	22.70	47.45
59 "500" SHARE MEDEX(807)	1529.06	-0.4	1534.54	1529.54	1532.36	1474.39	8.68	3.90	18.50	19.37
61 FERANCIAL GROUP(98)	1818.75	+0.3	1007.32	1004 27	1002.18	796 61	3 62	4.20	40 12	18.94
82 Barke(9)	1395.11	+0.2	1392.27	1383.22	1375.80	1818 89	4.99	3.87	27.27	28.48
65 Insurance (Life)(6)	1979.68		1979 39	1985.19	1994.02	1571.72	2.58	4.51	66.63	47.49
68 Insurance (Composite)(7)	635.88	+0.3	633.85	541,48	544.48	561.59	1	4.88	±	15.65
67 Incurance Brokers(10)	784.63		784.74	780 49	779.29	1001.45	7.30	4.99	18.40	11,18
A						. 55 (, 15	1.00	-	10.70	

Actuaries Share Indices ----- TEIE UK SERIES:

3151.9

1598.39

1608 78

1404.29

2700.6

2805 7 1326.8

6.29

5 95

FT-SE MID 250

3151.2 +5.2

2847.0

3142.3

1598.91

1809.40

1402.58

2858.1 3148.0 1421.4

1600.98

Hourty mo	vemon	rts									
	Open	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.18	High/day	Low/day
F7-SE 190	2963.7	2886.0	2869.1	2862.1	2860.6	2854.0	2851.2	2852.7	2846 B	2869.2	2845.9
FT-SE Mid 258	3149.2	3151.5	3153.3	3153.0	3153.8	3152.3	3152.2	3152.6	3150.2	31548	3149.1
FT-SE-A 350	1423.9	1425.1	1426.4	1423.7	1423.2	1420.5	1419,4	1420.8	1417.5	1426.5	1417.1
Time of FT-SE 100	blob: 00:58 :	low: 15:54									141111

809.43

361,42 1464 70

012.88

714 41

268.25 1267.91

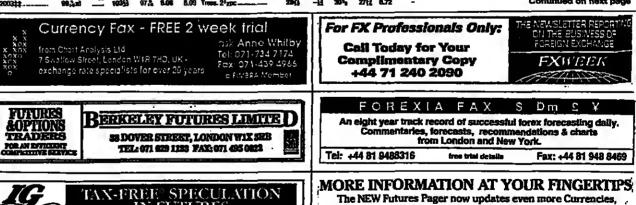
811.90

360.59 1485.78

T-SE	SE Actuaries 350 Industry Baskets											
outy	Open	9.00	10.00	11.00	12.00	13.00	14.08	15.00	18.10	Class	Previous close	change
bushen	1936.4	1943.6	1941.2	1942.1	1942.1	1942.1	1943.4	1943.9	1939.3	1939.3	1927.2	+121
eolth & H	1111.1	1109.9	1107.4	1104.2	1105.5	1102.5	1101 5	1104.2	1099.5	1099.9	1107.8	-7.9
later .	1364.9	1366.3	1368,2	1369.1	1369.1	1368.8	1366,3	1366 1	1366A	1366.8	1363.0	+3.8
dinka	1694.0	1883,5	1696,5	1696,8	1896.4	1695.4	1694.7	1695,8	1694.1	1694.6	1691.3	+3.3

Additional Information on the FT-SE Actuaries Strars Indices is published in Saturday issues. Lints of constituents are availables from the Financial Times Limited, One Southwark Bridge, London SET 6HL. The FT-SE Actuaries Share Indices Service, which covers a range of electronic and paper-based products relating to these Indices, is greatable from FTVSTAT at the same address. The increase in the fact or the FT-Actuaries AR-Share Indices for January 4 1983 means that the FT 500 new contains more stocks, it has been renemed the FT 500°, 1 Sector PH; resos greater than 80 are not shown. It values are respense. The FT-SE 100, the FT-SE Med 250 and the FT-SE Actuaries 390 indices are compiled by the London Stock Exchange and the FT-Actuaries AR-Share Index is compiled by The Financial Times Limited, both in conjunction with the institute of Actuaries and the FT-SE Actuaries under a standard set of ground rules. Or the International Stock Exchange of the United 1993, At digitar reserved. FT-REF and "Footies" are joint trade marks and service marks to the London Stock Exchange and The Financial Times Limited. The FT-SE Actuaries Share Indices are united by MM Company.

	9			LONDO	N SH	ARI	: SI	RV	CE			
ITISH FUNDS				BRITISH FUNDS	- Cont	L				BRETISH FUNDS	- Cont.	
Notes Price 2 12-20: 198511 107.4 107.4 108-11-11-11-11-11-11-11-11-11-11-11-11-11	4	004 99]] 08& 1045 1 08\$ 1075 1 094 1065 1 05]] 1045 1 105] 107] 1 15] 1035 1 15] 1035 1	8.34 5.80 9.81 5.82 2.62 5.83 9.61 5.99 1.61 6.14 8.66 6.21 1.02 8.34 3.14 5.30 9.53 0.47 1.78 6.58 1.96 8.86	Notes 10pc 2003	Price 2 1114 1184 784 16731 16731 1283 587 1204 1604 1604 1334	****** *****	high 116.5	97,3	8.95 8. 8.74 8 5.00 7. 8.81 8 8.80 8. 8.25 8. 8.75 8. 8.49 8.	200 16 (88.5) 46 21-20 19 (78.8) 47 21-20 13 (79.2) 62 21-20 18 (89.2) 62 21-20 18 (89.3) 21-20 24 (83.6) 21-20 24 (87.6)	Price 8	high low 1334 1315 — 121 1977 1941 201 2.1 1987 1941 201 2.1 1988 195 2.43 31 1988 155 3.03 33 1114 155 2.44 3.3 1998 144 2.3 1998 1481 2.40 3.5
34 pc 1998±1 — 1185 pc 109 pc	444444	70 116년 1 11년 108년 1 12년 118년 1 13월 110년 1 18년 105년 1 12년 108년 1 12년 108년 1 18년 49년 1	1.38 6.87 9.17 7.01 1.13 7.24 9.48 7.16 9.48 7.17 1.71 7.46 8.82 7.35 7.17 7.22 7.14 7.23 7.19 1.36 7.13	Over Filtern Years Trees 9oc 2006 44	1043, 95,2 . 103% 103% 103% 103% 54,6 92,5 101% 130,4 d	747474]]]]	10913 894 10073 10714 1084 7933 9723 10513 13521	92,8 100 ¹ 2 94 ¹ 4 100,6 70 ¹ 4 93)5 895 ₈ 87,6	8.84 8.4 8.37 8.8 8.69 8.3 8.58 8.5 8.58 8.5 8.50 8.1 8.40 8.1 8.40 8.1 8.55 8.6 9.22 8.6	reboring as a movines par reboring of API to Janu August 1992: 138.9 and 99 90 97 90 90 90 90 90 90 90 90 90 90 90 90 90	or to issue are y 1987. Commary 1987. Commarch 1980 INTERE 1980 INTERE 1980 INTERE 1980 INTERE 1980 INTERE IN	1993 York 10, Red 123 115% 9.30 8.8 1168 1081 114 8.7 94 100 123 114 8.73 94 100 9 8.8 106 9 7 9 8.48
Fittees Veeta 1335 2pc 1981 1185-pd 1185-pd 1185-pd 1185-pd 149pc 1982 1185-pd 149pc 1982 1185-pd 149pc 1982 1185-pd 149pc 1989 1185-pd 149pc 1989 1185-pd 1185-p	A PARTY OF THE PAR	945 120 4 10 1745 1124 1 1745 1124 1 1745 1124 1 1964 198 4 191 1254 10 191 1094 1 1945 1084 1	L75 7.58 1.18 1.54 1.28 7.70 1.11 7.74 1.43 7.68 1.31 8.18 1.99 8.02 1.18 7.61 1.48 8.15	Hodalad Consols 4pc	48½ 40½ xi 61½ 34½ 29% 29%	444	45 ¹ n 42,2 63 36 ⁵ y 31 ⁵ s 30 ³ s	26% 60% 33% 26%	8.67 8.67 5.70 8.62 8.37 8.72	13pc 97-2 Hydr Qualter 15oc 2011 Levels 13k-pic 2004	120 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1194 118 1082 1484 193, 1059 98 1254 125 1027 93 127 34 9.72 1284 207, 930 1204 114 8.81 93 1268 134 4.56 6.9 1269 1159 - 4.55 138 1324 12.22 11 6 tinued on next page





Cali Jane Farguharson

The Chart-Seminar - Presented by Povid Fuller - 25th year Copenhagen 1 & 2 July Luxembourg 2 & 3 September 761 071-439 4961 Fax: 971-439 4966 7 & 8 October Dale is from Chart Analysis I'm rod. 7 Swallow Strant Songer Wife 750 a AMBRA Member

Market Myths and Duff Forecasts for 1993 The US dollar will move higher; precious metals have been demonstreed, Japanese equilies are not in a new built frend. You did NOT read that in FullerMoney - the lacanolastic investment tetter.

Gail Jane Farguharsen tot a cample issue (once only)

Tel: Landon 71 - 439 4961 (071 in UK) or Fax: 71 - 439 4965 CURRENCY MANAGEMENT CORPORATION PLC



NO MORE DANCING! SATQUOTETA - Your single service for real time quotes. Futures * Options * Stocks * Forex * News * Via Satellite LONDON +71 329 3377 NEW YORK +212 2696636 FRANKFUFT +4969 440071



VANCHESTER HOUSE, 77 LONDON WALL, LONDON ECCUSES
TEL: 071-382 SMS FAX: 071-382 SMF TEL: 071-382 SMS FAX: 071

"the next generation of currency analysis." Serious traders call for more information: TTT 76 Nunnery Lane, York YO2 IAJ TEL: 0904-636407 FAX: 0904-612720

Juriencie Energy Objective analysis & strategies for the professional investor. Treed Analysis Ltd
Februs House, 30 Southgate Street
Winterstor, Plants 5003 SEH Fax 0424 774887
Standards Tel 0862 879764

GOLD COIN DEALING SERVICE ALL CORES ROUGHT & ROLD CALL HOW FOR THE LATEST PRICES OR PURITIES INPORTATION TELEPHONE:- 0628-776907 FAX:- 0628-789963 BORGEO BORGE TO STORE AND DE LA COMPANIA DE DEC.

Indices, Futures and Interest Rates every 2 minutes, 24 hours a day. Call 071-895 9400 now for your free trial.

FUTURES PAGER

INVESTMENT TRUSTS - Cont.

LONDON SHARE SERVICE Int Caption 16,206 (16 22.8 215.8 215.8 12.3 12.3 0.83 343.4 1,539 Price 209 212m 25 42 53 112 620 675 2.22 4.7 1.1 16.00mの 16.0 所は14日47月20日4日 型配115万数2日 20日 2017月20日下町 1545 2017年 4417月20日 1517日 4517日 199 198 25 11¹2 53 533 Arcelectric A MV

Arten ASA S SKr 48

BCC Dp Fri 10 Apc

Beeles Horitor 7

Been't 5 Poin 19

Benind A 11

Chieride 7

Cheficiery Gp 10

Date (1)

Dennance 20

Dennance 20 。 第16年772年以外外,在4年间1258年146年2月26年18月17日下午2日18月14年1772年23年3月70十年18月18日日日日27日18日日日 72 -11 225 221 28 44 36 117 620 2312 312 250 3 **BUSINESS SERVICES** | Proceedings | Process | | Mar. | Complement | Complemen Process of the control of the contro 2230 1 2 2 4 3 3 1 5 1 0 2 1 6 4 3 0 4 4 5 2 1 2 4 5 3 0 4 5 5 1 6 83 Max low Caping (200 Max high 325 490 500 514 354 549 549 496 571 532 532 330 450 450 451 333 455 463 329 311 485 470 501 ********** FOOD MANUFACTURING CANADIANS + or 1993
- heat low - 29 - 30 - 31 1940 8590 pt 111 b + 6 8479 7259 112 b + 6 8479 72 4,165 3,190 2,670 7,006 498.9 8,75 2,804 3,343 19.8 757.2 407.7 98.A 405.0 4,520 38.4 2,730 1,678 Pice 245 454 454 454 454 454 454 454 454 455 4 Price E 14869 12364 12364 12364 12369 13499 14490 1449 Agrical Services

American Servi CHEMICALS MBU (2,441) (2,625) (2,625) (2,625) (3 Akzo R

Akzo R 10.0 ELECTRONICS Price 1521 Jan 152 Jan BANKS 64: Carsin 5, 1294 1 1, 12 et in beteine bet beteine beteine beteine beteine beteine bei FOOD RETAILING 950 1,985 4046 9,76 3,438 24,5 12,9 234,7 + 0° ASOA NORTH STATE AND ASSOCIATION OF A ASOCIATION OF A ASOCIATION OF A ASSOCIATION OF A ASSO Price 6812 6711 175 307 1712 484 100 TT 78 200 407 35 90 888 CONGLOMERATES Med Cancin (Cancin (Ca +33 23 20 36 17 21 | bdi | 1323| | 1333| | 1342| | 2882| | 2883| | 2883| | 1342| | 2883| | 1345| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| | 1385| 151 6-48 Back 8015 3 44
51.4 Backe 8015 44
51.4 Backer 3 17
15 Barry Farm 6 15
15 Farepak 57
16 Fare 1454 2,793 667 14,960 411 5,083 121 2,882 343 5,680 | 12 | A. | 12 | W. | 12 | A. | 12 | 1436 25 £1.4
3168 - 51.1
3168 - 51.1
3168 - 51.1
3173 - 51.1
3182 10.2
3193 - 28 163
3193 - 61
3193 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3195 - 61
3 Dearl of the Service S Price | 17.5 | 5.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 **HEALTH & HOUSEHOLD** Mot Capen (1998) 142.8 1 | 36 | 66.9 | AMRC | 22 | 19.1 | 3 | 61.9 | CP | 24.1 | 3 | 12.8 | Amoto Corp | V | 4.3 | 12.8 | Amoto Corp | V | 4.3 | 12.8 | Amoto Corp | V | 4.3 | 12.8 | Amoto Corp | V | 4.5 | 4.5 | 4.7 | 4.7 | Amoto Corp | V | 4.5 | 4.7 | 4.7 | Amoto Corp | V | 4.7 | 4.8 | 4.7 | 4.7 | 4.8 | 4.7 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4. 613 518 460 901 480 430 MRt CapEm 19.8 1,222 272.7 201.7 207.1 50.4 21.6 31.8 1,433 1,051 2,56 160.9 **BUILDING MATERIALS** Howelson How HOTELS & LEISURE Mic 200 Mic 20

143.1 666
26 151.7 163
1 1662 21.8
1 1662 21.8
1 1964 12.9
1 2666 22.3
12.9 51.1 2.8
12.9 51.1 2.8
12.9 51.1 2.8
12.9 51.1 2.8
12.9 51.1 2.8
12.9 51.1 2.8
12.9 51.1 2.8
12.9 51.1 2.8
13.9 24.1
14.1 16.7 6.7
15.1 163.6 27.8
14.1 16.8
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.9
16.9 16.9 16.

The state of the s

عكنامن الأحبل

Abbott Need Notes
Acisc 17
Aci

stronger bid \
Formacest driefs hearton statems \

Virill based on proposed colks

Formaced driefs of proposed colks of proposed colks

Formaced driefs of proposed colks

Formaced driefs of proposed colks of propo + or 1993 bills Yid Price - high low Capen 6r's 400 - 400 120 8.30 -237 +1 227 54 39.4 -425 -5 448 155 2988 4.0 60 - 62 45 2.85 -201.4 8.1 769.7 8.0 7.33 -78.2 ‡ 36.2 -16.0 -61.9 4.5 34.7 2.5

+ 0" 1993 M6c Yd
Price - high low Captim Gre

87 -- 38½ 35 10.6 48
31 -- 90 83 18.4 3.7
46 -- 56 42 39.45 7.5
46 -- 46 36 472.5 4.9
39 -- 30 28 177.6 7.9
66 -- 40 79 39.2 4.6
43 -- 49 42 15.5 3.1

editatel estimates for 1993-94. It Higures based on IMER Petrico Carringo dreit proposite. P Figures based on prospectus or other oditate estimates for 1994. It Forness amusikood vield, pre based on prospectus or other official estimates. Figures 7. Figures 2. Dividend yield to date. Z Dividend yield to date. FT Annual Reports Service

1.7 You can obtain the current annual/menin report of any
1.5 company annotated with \$, Fing +44 81-943 7151 (open
1.6 24 hours including weekends) or fax +44 51-770 0544,
1.6 quoting the code FT2839. Reports will be sent the next
1.7 working day, subject to availability. Please remember to
1.2 state the weekly changing code above.
1.7 Cftyline
1. Real time share prices and other stock market information
1. savailable through the FT Cityline International telephone
1. Annual subscription \$250.00 stg.
1. Call +44 71-925 2128 for more details.

ecu-law ime

to

ore ind

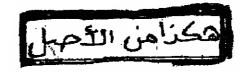
zht ige in

ov-ed

ity in-be

FT MANAGED FUNDS SERVICE

FT Cityline Unit Trust Prices are available over the	e telephone. Call the FT Cityline Help Desk o			NND9 SELVAIN	Ed Case Sid Other +or Yalls	just Casic 854 Qffer + or Yest Casps Price Price Pace - Gr's	Suit Case Mid Safer our Basi Charge Prime Prime Prime Mine Mine
AUTHORISED UNIT TRUSTS Brown Stright UNIT TRUSTS Brown Stright Brown Str	t Re Haywants Hth 0444 412262 156 Bishapageo, Lon	ton COM 2005 021 418 0177 house first	Cirpe Man Print Print - 6"1 Fund Managers - Contd.	INVESCO MIN UT Lingus Ltd Contd. Righ leases (Contd 0.054 - 0.0	MGM Unit Managers Ltd (1000)F MGM House Wesse Ad Warning Death; 0277 261010 Death; 0277 261010 Death; 0277 261010	N&P Unit Trust Mathematics 102 27 3522 R 35 Fourier S. Manchester M2 247 08 23 70.71 Add 2.42 U MP UK Cross - 51 95.72 98.050 18-32 40.15 1.90 MP UK Cross - 51 95.72 98.050 18-32 40.15 1.90 MP UK Cross - 51 77.70 7.85 77.70 40.15 7.21 U	Inthichild Ford Management - Comm. MA Person Province - 54 65.47 07.80 52.21 54.27 - 10 state CO's - 54 65.42 71.57 71.22 54.11 - 10 state CO's - 54 65.42 71.57 71.22 54.11 - 10 state CO's - 54 57.00 54.27 78.37 54.27 - 10 state CO's - 54 57.00 57.44 78.37 14.27 - 10 state CO's - 54 57.00 57.44 78.37 14.27 - 10 state CO's - 54 57.00 57.44 78.37 14.27 - 10 state CO's - 54 57.00 57.44 78.37 14.27 - 10 state CO's - 54 57.00 57.44 78.37 14.27 - 10 state CO's - 54 57.00 57.44 78.37 14.27 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 57.44 78.37 - 10 state CO's - 54 57.00 - 10 state CO's - 54 - 10 state CO's - 54 - 10 state CO's - 54 - 10 st
are case for the er that UK General Chrys Price Price Price - Sr's European Inc. European Acc. Franchis AUS Unit Trust Managers Limited (1900)F	6 27.7 27.6 77.9 29.9 40.7 2.5 60.0 20.5 5 mile Cos	0 224.1 225.1 123.5	The state of the s	Children (2007 - 5) - 57.50 (2008 - 6) - 6 (6) - 6 (7.50 (2008 - 5) - 6) - 6 (7.50 (2008 - 5) -	ISS BOOTS - 5 FOLES BOOKS - 412 0.006 IND EARLY GROWN - 5 FOLES BOOKS - 6422 - 412 0.006 IND Arrows Grown - 5 FOLES BOOKS - 5 FOLES TO SEE STATE TO	National Provident by Mgrs Ltd (1400)	DOMESTIC 10 10 10 10 10 10 10 1
AB Grobad Agentan . \$\frac{5}{2}\$ 151.2 132.6 190.5 \(\) 10.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.	6 76.2 76.2 75.70 2.46 as Dunedie Unit Tat	Editation (1) -315 2500 European		Property Section 1, 54, 16, 22, 18, 18, 18, 17, 12, 12, 12, 18, 18, 18, 18, 18, 18, 18, 18, 18, 18	HW Investment Managers Ltd (1659)F 46 Coot St. Nachagen, E. Leman 652-652 Sect. 46 Matthew Book 67 (155 STUESES) 1654 1 44 Matthew Book 7 (155 STUESES) 1654 1 44 Matthew Book 1 (165 STUESES) 1654 1 44 Matthew Book 1 (165 STUESES) 1643 1 443 Matthew Book 1 (165 STUESES) 1 443	KPI Sampean Acc - 5-2 83.41 80.604 88.50 670 0.00 kgP European Oss. 5-2 86.41 80.604 88.50 - 0.70 0.00 kgP For East Acc V 5-2 145.5 146.3 156.5 - 0.70 0.00 A	Smiler Cris. 54, 13 22.56 44.64 418 12 12 12 12 13 14 14 15 15 15 15 15 15
Equaty & Law Hee, Copy St. Covering (EDD) 533231 Recovery	39.04 40 78 4368 40 00 2 20 272.0 287.5 207.8 -0.80 - UK income & Growth 188.2 107.2 20 174.9 -420 1 21 Engle Star Unit Manifold E	5 207.0 207 8 220.4 -0.5 1.10 5 121.1 101.1 124.9 +0.4 2.29 5 121.1 101.1 124.9 +0.4 2.29 Garmon W Maccand Co 1896 1 90.5 200 0 +0.7 4.00 Maccand Co 1897 1 100 0 F	D 54 19401 19443 19541 +41 1042 plans Statings Floods ath 0 190 171 73 175 194 195 194 195 195 195 195 195 195 195 195 195 195	Freigh Growth	Manufile Management Ltd (1200)F St George's Way, Stevere as Delicion 0438-747414 George Units 54; 180 1 101 1721 +64 256	MP Extra line (154 52) 66.76 87.11 77.78 +0.10 2.05 PH MR (155 52) 75.54 78.27 01.57 +0.10 2.05 PH MR (155.00 C) 20 Acc 2.57 75.54 78.27 01.57 +0.10 2.00 PK	Pict Life Fd Mgart Life (1000)F D Box 34, Peterborough PE2 GLE. Prices 9733 20024 Heart Ere C753 36000
Control of the contro	[190.5 190.540 195.7 ! + 1.0 JR.38	6 145.2 147.5 193.0 193.2 480 250 Candidos:	0 201 54 203.30 203.30 +0.00(1 89 GBZ 0 153.10 153.45 [53.45] +0.00(1 89	April Apri	## OF TABLE \$4 \$18	## Whethelm Dat. 5% 50.45 Jan 12200 Hartings (1200) Hartings (anded Studied 5 0 00.60 00.30 00.00 colored in the studied in the
Bot Excell.	54 169.0 152.6 162.4 -61.7 Oneste Opp Acc	8 68 8 9 56.0 10.21 10.22 10.25 10.2	25 0 1985 118.77 118.77 40.00 0.00 0.00 0.00 0.00 0.00 0.00	Europeas 0451 5% 102.2 102.2 108.3 40.40 1.64 Europeas Acc 5% 107.4 107.4 117.6 42.50 1.84 Europeas Acc 5% 107.4 107.4 117.6 42.50 1.84 Europeas Acc 5% 107.4 10.141.0ct 1.48.2 40.4713.70 Compound Assets Acc	Maries & Spencer Unit Trust Ltd (1200)F	Semina Acc	The Int. Corp. 54. 85.73 58.37 98.39 should up to the Int. 64. 85.73 58.37 98.39 should up to the Int. 64. 85.73 58.37 98.39 should up to the Int. 64. 85.73 58.37 98.39 should up to the Int. 64. 85.73 58.37 98.39 should up to the Int. 64. 85.73 58.37 98.39 should up to the Int. 64. 85.73 58.37 98.39 should up to the Int. 64. 85.73 58.39 should up to the Int. 64. 85.73 58.
Gits à Franchut 9 128.5 128.0 123.1 40.2 6.04 High line Equity 5 447.1 150.00 159.5 -1.0 4.99 11 Franchuch S, Wisthanden Bayat 8 52.5 202.30 278.1 -1.5 4.5 50xx 202.30 278.0 27	154 Management Land 17 -000 72 6 Camerichian 54 Cameri	0 107.8 187.9 11.6 9-0.6 0 44 six agaste 59-0.0 7.69 44 six agaste 59-0.0 7.69 45 5.75 38.75 38.95 48.0 1.90 Long Term Bit 59 5.75 38.75 38.95 48.0 1.90 Long Term Bit 59 5.75 37.0 (K Sparly 15 37.0 K Sparly 15 37.7 31.7 31.7 33.4 49.3 0.97 American 15 37.0 (K Sparly 15 37.7 31.7 33.4 19.3 19.5 31.7 31.7 31.7 31.4 19.3 19.5 31.7 31.7 31.7 31.7 31.7 31.7 31.7 31.7	Ges., 64, 56,94 56,56 62,30 42,30 - 1,56 54,34 57,77 13,56 14,56 54,36 5	Recipred of the Besson Built Trusts (1400)F 10 Facchurch Street Lesson E23 10 Facchurch Stree	Markorough Fund Managers Ltd (1830)F 57 Victor Space, Butter, BLT ILA C2CA 354542 Martin Courie Vell Trusts, Ltd (1933)H Saler Crt, III Caste Verson, Encouph 431-473 4445 Saler Crt, III Caste Verson, Encouph 431-473 4445	UK General Act 50 40.77 20.57 31.57 40.75 2006 For UK General Act 50 40.77 20.57 31.57 40.75 2006 For UK General Act 50 40.77 20.57 31.57 40.75 2006 For UK General Act 50 40.75 40.	revision Growth - 54- 44- 44- 44- 41- 41- 41- 41- 41- 41- 4
Machine 0 1100 1106 1270 -1 2 - Ganada Life U	- 8 / 100 0 122-2e 130.01 +0.60 H. 16 Soft - Am Gas - Corp. Franci Mayes see City Florencis UT UK Stratfer Cas - Corp. Felix Tort Mayes Ltd (1200)F Fernissky Targett Acceptate Eagle - Corp.	77 of 28.1.3 28.58 et al. (19.4.2 4008)	55, 77.33 55.01 55.44 -50.5 55, 77.31 77.19 57.49 -50.00 - 57, 57, 67.56 57.96 72.32 -40.5 58, 77.10 77.10 77.30 44.5 58, 77.10 77.30 44.5	### (200 Day 55 45.51 47 14td 56.15 +3 5.14 10 (4.15) (4.15) (4.15) (4.15) (4.17) (4.15) (4.15) (4.17) (4.1	Margare 54 (5.1) (5.5) (10.2) (10.1)	MANUAL COLUMN 100 COLUMN 10	Barn Prod Acct (10-1) 5 353.5 353.5 353.5 353.6 4.00 (10)
Process Convent 9 1 502.5 45.5 6 307.3 5-25 57 00 income Dist 10 10 10 10 10 10 10 10 10 10 10 10 10	194.0 197.1 1771 -0.31 2.00 Seatty	102.2 108.00 100.0 4.5 1027 insecting the Pi 102.2 108.00 100.0 4.5 1027 insecting the Pi 102.2 108.00 100.0 4.5 1027 127 observed the Pi 102.2 102.2 127 127 127 128 128 128 128 128 128 128 128 128 128	mells	Designation Trons Control Control 54: 88.50 Sc.50 Sc.50 (403) 10.00 Accept Limits 5: 88.50 Sc.50 Sc.50 (403) 10.00 Accept Limits 5: 89.01 89.51 95.22 (425 60.00 Accept Limits 5: 89.01 89.51 95.22 (425 60.00 Accept Limits 5: 89.01 89.51 95.20 (425 60.00 Accept Limits 5: 89.57 89.71 97.01 81.00 Accept Limits 5: 88.57 89.71 97.01 81.00 Accept Limits 6: 88.57 89.71 97.01 97.01 97.01 97.01 Accept Limits 6: 88.57 89.71 97.01 97.01 97.01 Accept Limits 6: 88.57 89.01 97.01 Accept Limits 6: 88.57 89.01	Marcury Fond Managers Ltd (1000)H 22-10.82 Marcury Fond Managers Ltd (1000)H 250 2050 20 449 Waler 9. 6647 545 182.7 92.7 12.0 100 Application 1. 12.2 182.7 92.7 12.0 100 Application 1. 12.2 182.7 1	Horarich Union Tst Menagers (1200)H PO Box 124, 51/56 Rose Lave, Norwick 0903 692234 Haster Tost 0 108/68 108/65 113.47 -0.29 1.70	Own No. — — — — — — — — — — — — — — — — — — —
Aberforth Unit Trust Managers Ltd (1600)- 10 Clease St, Earburgh EH 778- Abtrust Unit Trust Managers Ltd (1200)- 10 Clease Terrace, Managers Ltd (1200)-	- 57 23.80 44.10 47.28 4000 2.90 Presentes State	5 34-0 134-0 100.6 -1.7	Formerly list Food Interest Fd Unit Text Mingrs Ltd (0905)F Lession SW17 445 071-930 7533 86	Access Freits 50 484.5 418.5 442.5 23	12 12 13 13 13 13 13 13	E000000 0 141.88 142.86 152.01 40.18 1.12 Ca	Figs income Access Services Ltd (0000)F springs into invest Services Ltd (0000)F springs into invest Services Ltd (0000)F springs into invest Services Servi
Extra Logaria 1, 61.20 42.60 46 47.17 42.6 Common Lincoh For Loss Brook St. 61.20 63.29 69.52 44.4 10.73 Common Lincoh Fund Internal 51, 61.04 51.75 72.72 4.05 15.53 (Formatic Cross II)	= 8 89.43 69.57 01.39 +1.62 1.62 Endurance Fund 41 Herrington Gardens 62 63 64 Herrington Gardens 64 Herrington Gardens 65 65 65 65 65 65 65 6	1880 1866 1987 -	et Management (1200)F Management Ltd # Pacel, Loydon SMn 071-493 9990 nc 5 1304 27 402.60 423.00 (0.67	Senior Co. 35. 97.00 100.2 100.0 13.7 12.7 12.7 12.7 12.7 12.7 12.7 12.7 12	Formula name 5 72.4 72.8 77.9 46.8 217 4 7.9 46.8 217 4 7.9 46.8 217 4 7.9 46.8 217 4 7.9	Scott East - Convertible - Cl. 133.57 133.74 142.73 43.77 4.75 Sec. 20 Convertible - Cl. 104.73 104.84 111.53 40.8 18.85 Sec. 20 Convertible - Cl. 104.73 104.84 111.53 40.8 18.85 Sec. 20 Convertible - Cl. 104.73 104.84 111.53 40.8 18.85 Sec. 20 Convertible - Cl. 104.73 104.84 111.53 40.8 18.85 Sec. 20 Convertible - Cl. 104.85 Se	Des Ser Con 541 64 700 65.03 98.07 6.44 0.00 1000 1000 1000 1000 1000 1000 1
Proof. 54 54.90 55.25at 58 17 -0.11 0 80 Canadian Gwith	8 170 1 170 1 1000 -2.00 0.00 Far 6350 8	St Managera Ltd (1600)F Shad; MP2 TON: (2008 43/1400 GM E Europe 18 1.88 00.50 65 79 -0.0012 22 CM Analogs 2012 3406 02 2313 -0.0012 22 CM Analogs 11823 11825 127 44 -0.33 4 25 GM Min Sham 100 87 11825 127 44 -0.33 1 27 GM Min Sham 100 87 1182 127 4 4 4 5 M Min Sham 100 87 1182 127 4 4 4 5 M Min Sham 100 87 1182 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	per Acc 5 196, [1] 120, [1] 132, [2] A27, [2] 167, [3] 167	Knight Williams Portfolio Mingrs (1000)B 101 New Bood Street, Lordon WHY CA 27 -629 1850 Extra 156-07 Ac 5 81-8 9 52 F 27 6 19 6 5 Chaims 6 March Rob 5 49-9 56 F 36 9 6 1 2 2 Extra 166-07 Ac 5 81-9 59 59 1 3 2 2 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	WEST (193) 3 (443) 1353 (1351) 100 (450)	Pearl that Treats Ltd (1000)F Pearl Carin, Lynch Wil, Peiarlosonian PEZ 6P7 Desity: 2000 SESS77 Equity: 1214.9 230.4 1-30[2.45 Desity: 1214.9 230.4 1-30[2.	New & Property Group (1900)14
Aprileon State Access 0 1 00 27 00 27 00 1	Managagar 82 24F C61-230 5685 Exeter Fund Mana 25 Deathy C61 220 5387 23 Cothedral Yard, Eur	gers Ltd (1400)F Sheckleton He FEX 1198 03-C 412144 971-370 7976	Acc 5 13 16 15 10 160.67 2.61 hn) Unit Mennt Ltd (1000)F	113 Descins SJ. Scienting Biol Sel Company 52 71 68 729 73 12 12 12 Scienting 52 72 68 72 73 12 12 12 Scienting 54 72 68 72 73 12 12 12 12 12 12 12 12 12 12 12 12 12	No. Section 1940 1941	Macran Units 6 210.0 213.50 2214 -13(36) 00	mm Depoin 51 at 75 90.00 3152 wild loss memory 52 at 75 90.00 3152 wild loss memory 52 at 75 90.00 50.00 at 76.00 at 76.
Accument Fundament State (1400)	5 CC BC 00 C OS Family Investment	31.00 3169 3181 40 (6)333 58 stresh Cov 40 381 41 3214 41 70 4818 137 Average Get 77 48 3920 4281 211 10 00 20 20 20 88 88 88 88 88 88 88 88 88 88 88 88 88	54 14059 14059 1917 - 104 225 7 - 54 10073 12224 1312 - 147 025 6 - 54 2537 2537 2520 322 042	ARD Autre Control 1 50 1 623 1 537 0 2 50 1 63 1 63 1 63 1 63 1 63 1 63 1 63 1 6	### 1 Command Arms 1	Pembroka Administration Ltd (1630)F 18-19 Sectland St. London WC18 4FC. U71-430 9850 60 Prototyle Accum	wheeld Sect
For Excitant	5 54.50 15 07 41.70 17 10 2.50 17 15 17 17 15 17 15 17 15 17 17 17 17 17 17 17 17 17 17 17 17 17	69.70 69.11 69.75	Beatler 071-885 0830 4 4 71-885 0830 4 4 71-885 0830 6 4 25 173-673 3-570 6 4 25 173-673 3-570 6 4 25 173-673 3-570 6 7 173-773 173-773 6 7 173-773 173-773 6 7 173-773 7 17	not a Recent	Herfan Amiter Heft Tot Nigre Led (1995)F 19 Suprair Ope Lordon SW 188	46 kgr Szred, Neolky on Thaness betarrectional (Sent. 5-), 45277 465.17 495.27 1.48 (1.72 1.48 toposa 5-), 420.20.29.20.28 172.29 40.05 5.30 by heath Recovery . 5-1, 256.20.20.59.20.50 17.20.40.00 18 American Genetic. 5-1, 100.54 198.47 201.05, 100.10 18 beta Senergio Gas. 5-1, 172.11 198.75 172.27 479.20.77 5 For Eart Gent 5-1, 200.44 200.59 22.93 4.07 (1.05 5 Expresses Gent 5-1, 200.44 200.59 22.93 4.07 (1.05 5 Expresses Gent 5-1, 100.55 100.51 (1.05 5) 5 Expresses Gent 5-1, 100.55 100.51 (1.05 5) 5	pon Green 57: 144.6 FSUA 480.0 -2 1905 FSUA 480.0 -2 1907 FSUA 480.0
Entrol Necoting 561 667 in 67 685 77 197 4619 162 Secure Fluid Sector Version 561 98.79 170 207 21 621 601 162 162 162 162 162 162 162 162 162 16	2	100.00 100.00 100.00 .	ear 4 4/2 [10/4916 /5130 [1557 23/3] 7.5	Francisco (M.) 171500 Storen (Inst)	Heiropolitan Unit Trust Magra Ltd (1000)F	TK Greath 94 74.13 74.30 73.77 -0.07 72.77 Sept. 74.75 73.77 -0.07 72.77 Sept. 74.75 73.77 -0.07 72.77 Sept. 74.75	Section 52 128 125 125 125 125 125 125 125 125 125 125
Fortral	54, 125,0 104,0 154,7 6,2 146, 6 16 Fed Int	25.09 29 09 c 25.34 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 7 77 MS Order Car 30 75 30 25 c 31 31 -3.53 -3.5	14 - 15 17 17 17 17 17 17 17	Barryon Co. State of the Co. State of th	Control of the second of the s	Emand Famis 13. Emerit 4	to Crowds
According to the Control of the Co	54-127.6 (22.5 (22.7 - 42.2 (23.5 (2	354 41640 5 10 3 11 17 17 17 17 17 17 17 17 17 17 17 17	## 6.00 SATURE TANG TANG CONTROL ## 5.75 ## 419 SEPREMENTED TOTAL SEPT SE ## 419 SEPREMENTED TANG TANG TANG TANG ## 450 SEPREMENTED TANG TANG TANG TANG ## 450 SEPREMENTED TANG TANG TANG TANG TANG TANG TANG TANG	Chicome May 19 doi: 357.6 ml said 577.6 ml said 18 doi: 357.6		Playin that Trust Magnet Ltd (0830)F 20 Playin Send, Neversito agost from An Apricultural Business 2rt Tarst According Management Ltd En	norticus 6
Annual Control of the State of	54, 4013 4011 411 48 Exercises 54 1514 151 481 481 481 481 481 481 481 481 481 48	1176 1176 1175 1 0 516 3 16 3 1 15 15 0 0 5 16 3 1 15 1 15 0 0 5 16 3 1 15 1 15 0 0 5 1 15 1 15 1 15 1 15 1	4 49 1920 1920 4 22 4 22 4 23 4 24 4 25 4 24 4 25 4 24 4 25 4 24 4 25 25	Active 5 they specially sented, stemperor times from entry common from common of special common senter from common		COURSEA 8 51 46 51.85 52.17 -0.33 0.53 (Ac Section 2) 0.52 4 53.40 04.51 +0.04 0.07 (Ac Section 2) 0.52 44 53.40 04.51 +0.04 0.07 (Ac Section 2) 0.52 44 53.40 04.51 +0.04 0.07 (Ac Section 2) 0.52 52 52 52 53 62 73 73 74	tours testing
Fig. 1. The state of the state	700 Corano, Escarson, Company,	34.75 75.75 38.05 48.40 70.00 10.0	24 4) PGS 1455 155 175 150 150 150 150 150 150 150 150 150 15	Expension of the control of the cont		1 When hard Yang, London SET 1885 077 607 5988 100 100 100 100 100 100 100 100 100 1	20m United - 34 55.28 51.20 53.00 (47 to 67 52 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
### Office Control Con	10 10 10 10 10 10 10 10	99.79 98.79 124 0 40 70 m21 8a.17 83.11 89.65 -0.79 7.22 95.88 95.28 100.5 4 1 21 1.59 36 Narbour Ex 96.80 96.80 102.0 4.61 1.47 Cam 170.2 100.7 1771 -5.40 1.50 caropean 80.55 80.25 90.80 1-10 120 Gm & Food 70 10 10 10 10 10 11 60 11 50 0 Gm & Food	oyat Ex Unit Mers Ltd (1000)F conge Sq. Lor (14 92)	Translater	6 FAS 65 400 205 400 205 60 200 200 200 200 200 200 200 200 200	Screen Access	280 Crim
Process Death	manag 1992 Europe at Oppus St.	185.4 195.4 197.4 •240,0.00 International 185.0 187.1 178.0 •1 £0,0.00c; an fund 149.1 149.1 158.8 0.00 lets American 186.5 188.5 199.7 •1.2410,000 Partie		Forders 1 (1900) F (1900) F (1901) F (1900) F (1	### ##################################	Profilic Gott Tet Bingris Ltd (1100)F Wathurck No. 21 Wathords (E-EH) 80.9 Capitics (271-280) 2000 Ocelog-6600 2(044.3 American Income - 5% 86.22 86.23 91.23 +1 ml 1.332 900 Macron United - 5% 86.23 91.23 +1 ml 1.332 900 Macron United - 5% 86.23 91.23 +1 ml 1.332 900	Figury — 54, 122.85 200.92 70.51 1-72.12 70 rom United — 64, 375.31 77.00 422-9, 443.52.20 Soule Con 4 — 64, 122.25 123.35 125.90 1-40.9 10.0 rom United — 64, 122.25 123.25 125.90 1-40.9 10.0 rom United — 64, 122.25 125.9 10.0 rom United — 64, 122.25 125.0 rom United — 64, 122.25 125.0 rom United — 64, 122.
For Section 1992 122 d 122 d 122 d 123	4 6 194-53 65.2% 63.4% 4573.0% https://doi.org/10.10/1	1021 1086 1152-110 000 Genetord St	6. 54 76.11 77 C 0171 -C31 030	Section Sect	Carlo formation of the	Account Uncil 5½ 72.4 123.4 131.2 40.2016.53 55.50 55.5	comes \(\phi_{\text{w}} = \frac{5}{1} if \$T\$ 04 \text{ \text{ if \$T\$ 04 \text{ if \$T\$ 05 \text{ if \$T
Extra folia	007 SCS 0700 5 91.93 70.05 74.93 405 106 5 81.38 81.36 60.22 40.71 60 5 10.34 70.94 75.47 10.81 30 6 5 10.34 70.94 75.47 10.81 30 6 6 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	High received Hi	54, 100 m5 100 c54 103.24 40.24 5.54 54, 123 15 123 15 16.55 16.24 5.55 54, 204 90 204 107 51.32 14.00 2.47 107, 15, 113.65 117.52 107.22 10.05 7.37 108, 15, 176.51 109, 100 190, 201, 201, 201, 201, 201, 201, 201, 20	10 Account	177 627 1 6 6 7 7 7 7 8 7 8 7 7 8 7 8 7 8 7 8 7 8	Hard Street Stre	and Unity ♥
0. Decid Sci51 403 403 503 400 130 Arkeright Management (1400)f 1 mg St Management (14	usts Ltd (1400)F • EC4M 78A 871-332 5000 Enquitus 0277 227308 51-1 57-54 58-67 62-62 ag 65 2.56 Pype Poolige & Calonial	Unit MgR (1200)F Method, Essex CMIJ 1XH Deather(277 201010 PO Sox 800. Sc	### 15 Magnet Ltd (0730) 16013.10 16014 151 Magnet Ltd (0730) 16014	0 (Account)	"Or community will be sent a bid pose Miscondum Fund Management List (1000)F 1 After here Large in Badge, SE: 072–007 9008 interphone	Recovery	Deerly 51 1774 1999 20 1772 1417 1283 1774 1999 20 1772 1417 1283 1774 1795 1772
S & C E Unit Trust Mognit Ltd (1000)H Chartered Asset Major Royal Crawler Rhi0 20P 0293 528211 151 Farmington Rd. I	6 114 00 144 00 190 05 19 00 UK MC090	92.18 92.48 98.91 42.5 0.97 Hambra Ger	erafi Fand Mgrs Ltd (1000)F ign Rd, Hudan, Brestwaad, Esser 27300 Ceating 0277 090390	0 Person 1 1 1 1 1 1 1 1 1	Do en 27 - 27 (42) Ametina San - 50 214 224 223 (-24) 000 Ametina San - 50 214 234 233 (-24) 000 Empire Ob Act. 54 254 254 259 (-25) 000 Empire Ob Act. 54 254 254 259 (-25) 000 ACT San - 50 256 256 257 (-25) 000 Ob San - 50 256 256 257 (-25) 000 Ob San - 50 257 (-25) 000 Empire Ob Act. 54 254 254 258 (-25) 000 Ob San - 50 257 (-25) 000 Empire Ob Act. 54 254 254 258 (-25) 000 Empire Ob Act. 55 257 (-25) 000 Empire	Accura Units	Hillsh Amicable (H Tst Mgrs Ltf (0730)4 St Wacant SL Geogra 62 560 91 24 220 H Macant 91 4407 447 497 447 457 457 458 W Testf(0-1) 8 421 52.92 93.34 4355 13 45 W Testf(0-1) 8 521 52.92 93.34 4355 13 4
25 St Jutter's Sq. London CC1M 44E 07 - 251 F777 Control - 5 69 62 ft 645 7 77 - 4955 [2,49] I White Hart Yard, Li terestament Advisor - 6 60 July (1400)H 1 Bullion Clifford & Co. Lut (1400)H 1 Bu	init Trust Misurs Ltd (1100)F protes into p. SE1	18110 10119 10751 -0.2 0.68 Engates 027 Z	R Trust Managers Ltd (1000)F Ed (nomer Eugeni 34, 1118.00 110.00 124 *9) 12.75 orde Energy Humster Franc. unopone Acc 34, 1133.01 *Ba.Der 144 *10 12.12 unopone Acc 14, 53.01 \$3.01 *10.57 *79 1.91 uno Acc 24, 50.01 \$3.01 *10.57 *79 1.91 uno Acc 24, 50.05 \$0.00 \$2.01 001 unopone Acc 34, 120.50 \$0.00 \$0.00 \$2.01 001 unopone Acc 34, 120.50 \$0.00 \$0.00 \$2.01 001 unopone Acc 34, 120.50 \$0.00	19 to Tracer #4 \$ 1 44.9 140.3 150.9 450.120 15 fa for lease for 5 15.0 150.8 170.0 170.0 170.120 15 fa for lease for 5 15.4 194.5 195.7 (2.8 11.0 15 fa for lease for 5 15.4 194.5 195.7 (2.8 11.0 15 fa for lease for 5 15.2 195.3 270.0 17.0 14.0 15 fa for lease for 5 17.8 70.9 (7.7 55 4-03 0.00 5 for 1 total for 5 15.2 156.2 0 17.4 12.0 0.05 5 for 1 total for 5 15.0 15.0 15.4 15.0 15.0 15.0 15.0 15.0 15.0 15.0 15.0	Freetring Milth	poen Open 0 98.51 68.18 72.83 -0.07 2.27
SQ America W 6 127 27 7 2 200 2 2 2 2 2 2 2 2 2 2 2 2 2	\$ 77.00 72.90 78.49 1 Wilste Hert Yard, Londo 5 57.0 67.94 50.95 1 70.00 100.00 100.00 100.00 5 1150.00 160.45 186.01 F68.196.10 100.00 100.00 100.00 Hamphonon Creatheration 100.00 1	45.26 46.88 80 70 +0.12 5.57 Model Piolo	5 17370 175.78 195 40 -1 40 2.34 6 5 97.340 193.31 -1 15 - 10	ondon & Manchoster Tst Mignat (1000)H inshan Park, Entir DSS 105 marken — 6 57 54 57 47 62 00 4 72 0 4 107 52 7 82 7 82 0 5 4 0 0 0 0 cone — 9 59.02 00 55 54 00 4 19 5 7 merainat — 0 55.39 50.05 60.4 4 19 5 7 merainat — 0 55.39 50.05 60.4 4 19 5 7 psn — 51.02 53.49 57.31 659 10 0 10 dr Insta — 0 55.39 54.69 12 8 14 8 12 6 5	Europa 51 120 4 120 4 1212 +0.40 (0.00 Goressa 5 132.2 132.20 144.8 +1 40 0.00	2 Bardey Woy, Hook, Hants HG27 SRA 0/56 768088 (RG Despesa Acc	### ### ### ### ### ### ### ### ### ##
Bank of Ireland Fund Ngra Ltd (1400)F 36 Queen St, London, 6(48) 180 071-489 8873 Br & O'Suee 57, London, 5(48) 180 2639 412 1180 Fallmant no O'Crit	A. Buckley Florancia Bioquet 100 55 10 10 10 10 10 10 10 10 10 10 10 10 10	14 05 1632 BT411+0511133 EMPHOR 051750	rentwood, Essex CNT 4 4ET	8 G Socurities (IST5)H 6 G House, Victorie Roue, Chairmaiord CA() 1FE more Observer Sententials Dates (ISS 5000) 1 ST-55 ST-10 3005 -20 (ISS 600) 1 ST-55 ST-55 ST-50 3005 -20 (ISS 600) 1 ST-55	Acution Reserve 1 73.53 75.53 77.31 41137.98	Morthwide Acc	5 80,70 80,75 70,75 607 67 67 67 67 67 67 6
Betrack Feeds Free		205.6 285.6 304.6	254 254.51 256.52 256.53 356.9 4.66 3.56 4.66 4.66 4.66 4.66 4.66 4.66 4.66 4	COURT URING	Pacific Growth 170.67 72.07 85 92 171 0.08 lapon Growth 1 92.64 62.64 94.34 1.10 0.00 NFU Madural Unit Abungas Lid (1400) F Admire 5 Replaids Road. Nation Brantwood. Gages.	State of the Control	No. Acc
O'ret for FG Acc	0. 48,73 49.41 5286 - 4.00 0,000 (vecum using	201.2 291.2 290.7 +0.70 4.01 Pond Internet 407.7 407.7 452.8 +1.00 4.01 Pond Internet 101.5 101.5 40 1805 -0.10 77 Internetional 100.7 100.7 in 114.6 0 78 Internetional 176.7 176.7 in 105.8 +0.90 3.00 Quantum Panda 240.0 249.0 204.5 +0.00 3.00 Autor Enterprise Panda 204.0 249.0 204.5 +0.00 9.00 Autor Enterprise	514 128.58 128.58 138.28 +1.42 0.90 P	mmodily 5 299.22 289.4 298.0 +2.7 (0.78) court Units 5 429.33 421.0 445.2 +3.0 0.77 microard Growth 5 797.53 701.83 45.7 1 +4.5 259 microard Growth 5 797.53 701.83 45.7 1 +4.5 259 microard Growth 5 797.53 701.83 45.7 1 +4.5 259 microard Growth 5 797.53 701.83 45.7 1 +4.5 259 microard Growth 5 797.53 47.3 105 38.30 40.2 4.23 microard Growth 5 797.59 1259, 1259, 1418.4 0.9 4.23	NSA Unit Trast Allogus (1200)F The Billon Centre, Horit Harbour, Portamoud: Brushes: 0705 372222 Bill Managad Portfolio Service	die Treest Acc 5-2 (97.00 97.00 77.25 10.50 1953 (1953) (Kish Life Investments (1200)F Andrew Sc. Edithurgh 1031–225 2211 1031 States
Trustee	5-5 73.09 74.10 78.82 -41.10 2.09 Focuse United 5 25.10 25.31 26.3	3902 3901 400 (100 European 177.5 177.5 182.5 197.7 2-6 (1.00 European lucore 177.3 177.3 183.5 2-30 (1.00 Euro Strail Cen- 82.25 68, 168 (1.35 +437 (1.03 June Strail Cen- 193 (1.00 Euro Strail Cen- 193 (1.00 Euro Strail Cen- 193 (1.00 European Local Center Cen	b. 514 232 43 232 43 347 23 -240 0.00	INT PROCESSES 5 2017 2055 42 48 2000 1000 1000 1000 1000 1000 1000 100	THE THE PARTY OF T	A. Stand General Land State St	Mich Mutual Inv Mingra Ltd (1000M 245600 245
Govern Treats - 68 - 109.2 109.2 112.7 +0.6 2.77 Colonial Register, 6 Colonial Register, 6 Colonial Register, 7 Co	94" 36.82 40.00 58.86" 422% 5 6 (Ferrir Viring B. 6 (Ferrir Viring	296.1 296.7 500.7 - L1810.72 FOUR ASSISTANCE STREET - STR		2599 (1986) 5 (1984 4 1001 6 170.33 4 19 4.3 8 18 18 18 19 19 19 19 19 19 19 19 19 19 19 19 19	Accuse Buckley W 54 35.27 45.29 42.29 62.27 0 20 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	MAI British Inc Inc 54 54.59 54.59 54.59 54.59 54.59 0.027 - 00 Ac AM British Inc Inc 54 43.20 43.30 45.71 46.21 2.16 CK St. Mai Let Barriera Acc - 54 43.20 43.30 45.71 46.21 2.16 CK St. Mai Let Barriera Acc - 54 43.20 43.30 45.71 46.21 2.16 CK St. Mai Let Barriera Acc - 54 43.20 43.30 45.71 46.21 2.16 CK St. Mai Let Barriera Acc - 54 43.20 45.	200 1.2 2.5 2.7 2.5
Sinte Cits ion 54, 32.91 98.03 98.03 17.25 Commercial Units (Sec. 1) 50.00 17.25 Commercial Units (Sec.	Pupites Gat 661 2222 . 3 57.62 57.82 66 77 48 96 1.90 Counterly Integrite 5 United 5 Counterly Integrite 5 United 5 Counterly Integrite 5	44,98 50,24 51,87 +0,61 (0,00 Cypest Tet	- 54 77.89 77.00 83.00 +0.11 0 164 - 51 49.70 49.70 49.74 -0.00 0 164 - 51 44.10 44.104 49.91 -0.00 0 164 - 57 42.08 82.08 84.51 -0.51 0 164 - 54 22.95 82.98 84.91 -0.51 0 164	h histories 5 34.23 24.70 32 16 401 44.56 F Some Bornia 5 80.06 91.00 94.01 40.4 45.56 F Shyella 5 80.67 91.00 94.00 9	Ster income 34 70.73 70.93 75.69 40.65 10.67 7 64.65 10.67 1	00 Ac 2007 Acc 0 400 4007 3 130 403 405 60 00 Ac 2007 Acc 0 400 4007 3 130 403 405 60 00 Ac 2007 Acc 0 4007 Acc 0 4007 3 130 403 405 60 00 Ac 2007 Acc 0 4007 Acc	No Phata Bar. 54 SS 17 SS 170 SS 274 4 44 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4
Access 10 of 100 C	_0 81.20 81.20 80.30 -8.04 2244 Dealing 0772 411411 8 8 52.20 82.20 80.70 8 22.20 80.70 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8	Administry 22 41 822 Galleria Growth A Gent Stort State Stat	54 60.67 56.67 60.00 -0.07 3.25 (AC	man Linhi 5 6.85 80.50 52.03 -0.7 10 mm small roles 5 48.55 80.50 52.03 -0.7 10 mm small roles 5 44.55 80 156 15.21 10 mm small roles 5 45.78 145.68 155 11.26 12.31 10 mm small roles 5 52.56 24.00 250 10 41 12.25 12.31 10 mm lining 5 182.35 62.40 15 540 4.22 12.31 10 mm lining 5 182.35 62.40 15 540 4.22 12.31 10 mm lining 5 182.35 182.35 187.0 170.4 12.25 12.35 12	Title	Jerses Man Inc Ltd. 3 46.34 47.59 50.39 40.22 Ltd. 166 G souler furformers Acc 6 51.04 62.60 60.55 -0.22 Ltd. 166 G souler furformers Inc. 6 50.27 51.40 60.70 -0.20 1 White showing Science 66 6 50.25 51.40 60.70 -0.20 1 White showing Science 66 6 50.50 60.52 55.05 40.51 1 00 Acc	239 4 209 90 255 6 428 652 642 652 652 652 652 652 652 652 652 652 65
American Smith Coo . 5 117 0 117,0 125.3 + 1.3 0.0 Depose Coast Tract + F 0 80.12 50,128 6510 + 407 5.0 Accom Uniting 0 ConsptRies 5 62 47 53.11 59.00 - 0.07 4.0 Equity Income Section 0 180.0	. 0. 1927 19277 19277 1928 5-95 22.45 Do Accom	M127 244.00 20064 +865 0.14 Renderson TA Pe 15.09 246.83 24477 +0.80 0.14 American Growth 52.07 297.58m 318.57 +0.42 1.78 648.65 94.75 8m 318.57 +0.42 1.78 649.65 94.75 8m 318.57 +0.42 1.78	64 46.85 46.85 50.54 -0.07 0 300 pages Portable	18 18.22 18.60 17.50 40.1 2.70 3 2000 18.0	ECRIM INCES 54 36.5 8.8 92.4 40.11 17.70 18.6 18.2 19.4 40.11 17.70 18.2 19.2 19.2 19.2 19.2 19.2 19.2 19.2 19	17.12 47.12 48.89 4.91 55.00 5	Cab Provident to West Ltd (1999) A Section 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Surrogan Shift Co	1 445.53 445.53 475.53 474.55 486 425 586 586 186 186 185 586 186 186 186 186 186 186 186 186 186 1	O'LLE ESTABLISHED CONTRACTOR	- 6 9.70 0.00 0.00 0.00 0.00 0.00 0.00 0.00	Guide to pricing of Auti Compiled with the assistance of La	horised Unit Trusts	4 Japan Ga. 5 17 00 77 105an 75.42 - 0.25 17.70 Scott 16.33 - 0.39 - 90 Be 10.00 108.40 116.33 - 0.39 - 90 Be 10.00 108.40 116.33 - 0.39 - 90 Be 10.00 108.4	100 Milows Fond Magnet (0000H 100 College Brill Stu 100 College Brill Stu 100 College Brill Stu
Jones Services 3 68.6 168.6 150.1 -1.8 0.0	6 60.22 92.224 67 33 +0.05 557 GT Unit Managers LI	upostd Account Page Strick	mit Tat Mgra (1200)F cumba Rmd. Croydon 681-686 4395 — 6 8577 68.77 91.73 -0.3 247 — 8 152.3 152.3 162.8 +0.4 51 — 6 28.10 290,16 336.00 +3.5	urum. Unez 10 deray marketing and administrative costs, including controllegion paid to intermediance. This charge is included in the price of units.	that the managers will consider year on the	Marriedary Dustry 201-011 4214 Europe Control of the Principal of the State of the	205 325.5 397.8 41.4 4 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
Blackstone Franks II' Marges Ltd (0900)F PT Maraged— 00 - A Ote Seve, Leader 6719 64. 671–590 5000 CI Jientey Gomen's of Gwin Portfolk etc. 6 1 71–94 71.94 74.84 - CUB CI Jientey Gomen's led Gwin Portfolk etc 0 190.33 98.33 72.46 - Cub CI Secret Front 1 10.5 Special Gomentary Accil 3 0707 49 0 25 21 14.408 - Scienty Smitr Cos. 59	10 TUCAN MARINE THE PROPERTY OF THE PROPERTY O	Desire III - Odd ees Fer Edet	0 190 0 19200 141.0 +0.4 1.70 0 297 5 207 5 21.9 +0.1	price at which units are bought by investors BID PRICE: Also called redemption price. The price at which units are said back by Investors. CANCES I ATMAN UPDICE:	onset the immediate rough to see an in second Pro-	House In Comp. 0 165.02 160.02 170.52 100.01 170.00 50.00 170.00 170.00 50.00 170.00 1	No
Brewin Dolphia Unit Tet More Ltd (0905): Lydon Way, Savenage Growth her Cha 906 07 -288 641 Growth Acc Chapter Special Styr. 51 150.1 150.1 171.2 +0.6 150.3 150.0	BR35 Wingst Ltd [1220] Income lac	7709 118.50 15509 44.70 0.63 1120 118.50 15600 1470 0.83 93.92 258.50 27709 14.00 1 00 77 17 77, 128.22 40.93 40.9 Security 98.10.93.100 295.70 40.90 0.00 5ecurity 98.10.93.100 295.70 40.90 0.00 5ecurity 98.10.93 27.70 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0 68.94 68.94 77.77 077 8.00 0 58.09 58.09 68.12 488 989 0 62.66 67.99 68.09 49.7 17 221.927 014 3112 40.0 10 124.927 014 3112 40.0 10 174.0 134.0 154.9 49.7 190	redemption price. The massimum surted between the ofter and bid prices is determined by a formula hald down by the government, in principle, most with trust assaughts quick a much narrower spread. As a result, the hid price is	that the managers deel at the price to be set so. The first valuation, investors can be phen on defining price in advance of the purchase or sale being carried out. The prices appearing in the reasspaper are the most recent provided by the managers.	Sector Pagas Babs. 8 75577 7507 9427 1430 440 14 15 15 0.48 1440 14 14 14 14 14 14 14 14 14 14 14 14 14	Mer Endester Fetted Minort End (1200)F 5 Reptelph Rt, Hutten, Bremsnoot, Esse- 16077 207300 Recovery - 5 172 ml com Basing part appro-
Control of Grant City Co. 100 Pt and City Co. 100 Pt Septem Control of City Co. 100 Pt Septem City	0 20.77 23.64 20.77 44.65 30 Smitr Con Day Inc. 54 1 5 6 47 57.71 50.46 40.77 1.3 UK Gaptal Inc. 54 1 5 6 46 60 60.66 60.00 40.07 1.6 UK Captal Inc. 54 1 5 6 6 6 8 20 6 2	15-58 40 74 49.77 +0.23 21.00 US Smallin Cos 16-89 46.74 40.99 +0.20 8.87 16-16 162 16 174.0 +1.20 1.00 MVPSCO ARM 173.00 277.30 30.80 12.20 1.78 If Devocation Sc	UT Magrs Ltd (1200)F	often wit above the concellation price. However, the bid price might be moved to the concellation price by the plantagers of any time, usually in chromistances to which there is a large excess of palers of anise over benery.	SCHEME PARTICULARS AND REPORTS: The meet report and otherne particulars can be obtained free of charte from from managers. As	Blance Unit Mgrs. Ltd (1000)H Admir.	## (Alburt E.) & Co (1000)F ## Revision Rd Huston, Brestherood Easts ### 1007 22700 ### 1000 100 100 100 100 100 100 100 100
10 10 10 10 10 10 10 10	10 2002 28:30 3001-001 54 Mary Co Lbi (1200) F 50 Behlpuss 100 071-07 500 8 28.12 28.82 30 91 1.62 10 30.27 30.27 32.01 1.62 56 UT Mary Lbi (1000) F	13.00 11.3.00 12.10 4.00 10.12	54 243 243 245 245 245 245 245 245 245 245 245 245	1100 tours; (美) - 1101 to 1400 hours: (美) - 9001 to	1 60	The state of the s	Company 5 0 1.80 03.314 00.04 03.01 1.00 1.00 1.00 1.00 1.00 1.00 1.0
Profe (comb Access A) 40 02 100 77 107 29 (40 MH) 58	do UT More Util (1000): In ELW 200	National Conference of the Conference of	등에 15-32 85.51 85.81 43.112.52 54: 45.55 45.64 62.71 42.81 1.53 54: 55.41 85.41 81.71 42.81 1.71 54: 61.44 65.42 43.72 43.72 43.73 1.54: 74.17 74.174 1900 46.01 1.34 54: 52.15 53.154 53.78 -0.11 1.02	1401 to 1700 hours; (4) - 1701 to addraght. Delty determy proces are set on the basis of the visuation point, a short period of time may elapse before prices become available.	Regulatory Grganisation, Resident Florit Politics (Regulatory Grganisation, Resident	Singuist Princip Region Contents Conference (Conference Conference	Section
,	ï		:	· ·	F		0 1509 1309 1858 -05112



FINANCIAL TIMES WEDNESDAY MAY 19 1993 41 FT MANAGED FUNDS SERVICE 502.4 +8.1 498.0 +8.0 140.4 +2.0 761.4 +15.2 218.4 +15.2 142.1 +1.1 130.1 +2.0 174.2 +4.6 174.2 +4.6 174.2 +4.6 176.2 +1.2 176.2 +2.0 176. Foreign & Colonial Unit Monagement List Gathleri Acc List 11 182,2 1874 14 0 51 Biblioted for List 11 182,2 1874 14 3 151 List Acc List 11 1875 1774 14 3 151 List Acc List 11 1875 161 18 4 2 1,72 Funds in Courts
Capital May 14
Gratel May 14
High York Jay 14
"Restrictor For Studen Geograpy Leader Restaurt see Installands | Substitution of the Control of the BIVESCO WILL Management Ltd Friends Provident Custo Sheet, Salisbury Friends Provident
Cade Steet, Salebury, tons SP1 254.

Life Foots
Advisor Steet, Salebury, tons SP1 254.

Life Foots
Advisor Steet Salebury, tons SP1 254.

Life Salebury Steet Salebury, tons Sp1 254.

Life Salebury Steet Salebury, tons Sp1 254.

Life Salebury, Salebury, tons Sp1 254.

Life Salebury, Sp1 254.

Life Saleb 945 SP1 3SH Lezard Brothers & Co. Ltd IN. INCOME PRINCE | 277.3
PRICOLD PRINCED | 200.

MGBI ASSURANCE | 210.5

MGBI ASSURANCE | 210.5

Expendi Acc. | 154.5

Expendi Acc. | 252.8

Freed Interest Acc. | 154.5

Interest Assurance | 210.8

Freed Interest Acc. | 154.8

Freed Interest Acc. | 156.8

Freed Interest Acc. Promier Managed 202 242.4 +0.1 April Mesaged 134.3 141.0 +0.1 M & 5 Securities Ling
Conflored (s. 1924)

According (s. 1924)

Accordin Barclays Life Assur. Co Lid 282 Replied Book, London E7 | Barcharys Life Assur. Co Lief | T22 | Paint Norwick Union Pensions Management Management Union Pensions Management Union Pensi E10.70 10.021 _.i :23 Morgan Grenfell Investment Funds Ltd 13 - 132523 Frien Acongsons Ltd
GT Units Managers Ltd
oth Flant, 8 Devotation 5d, EC2
61 Plant Far East Fad _____ 132.8
87 Pin Wirkshafe Fed _____ 469 4
GT Pon Worldwide Fd ____ 1516.3 Morgan Stanley International
UKE-stong NAV P1330,84 P1330,84 P1330,84 Sun Alliance Unit 1st Almant Ltd (1200) Advis: 5 Reyleigh Rd, Hemos. Brentepod, Easen Genetics 0277 22780 GI Pen Workshole Fd. | 516.3
General Associant
Theograe Shoot, York You Hen
Theograe Shoot, York You
Theograe Shoot, York You
Theograe Shoot, York You
Theograe Shoot, York You
Theograe Shoot, York York
Theograe Shoot, York York
Theograe Shoot, York
Theograe
T 1004 6 104 70.7 Manchipeter Unity Agentence 40 Fountsia Street, Macchenia NC 2AB Laterentian Life pic Samunos, Goucester GL4 782 Ξ 130 7 192.4 160.9 130.0 | Age Prevolum Life Assurance Co Ltd 37-38, Personnet Head Havening Head Sun Life Trust Magnet Ltd (1200)H 181, Cansen St. Leedon ECAN SAD 0034 834000 | Part | All | Part | P 0279 626262 0634 890000 J. Rothschild Fund Managers Ltd. Ltd Everpt Access ____ | 198.5 | 168.3 | +0.80 | 2.20 200.96 281.12 196.24 286.62 +0.09 196.24 286.71 +3.0 235.45 353.11 -1.15 341.87 359.85 +0.84 231.51 284.74 +7.86 Thornton Unit Managers Ltd 704.44 704.44 +0.92 mped Exempt Apr 30 118.04 123.804 255 | Internaty | Internat | Internaty | Inter **INSURANCES** | Basing | B Combined Life Photosomer | 1001-546 | 081-546 | 5019-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-540 | 1021-54 | Section | 4 | 83.22 | 88.27 | 88.85 | 81.391 | 85.90 | 85.90 | 85.90 | 85.10 | 85.80 | 85.90 | 85.10 | 85.80 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 85.90 | 262.3 | 270.11 | -1.11 | -1.23 | 270.11 | -1.11 | -1.23 | 270.11 | -1.11 | -1.23 | 270.21 | -1.11 | -1.23 | 270.21 | -1.23 | -1.23 | 270.21 | -1.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270.23 | 270. 33 Ries Maller St. London EC 481 et S.
Portifica
Portifica
Portifica
Richard St. Richard S Britannia Life Liti 50 Bollwed Street, Good 61-20 +0.10 -67-70 +0.20 -62-10 +0.20 -62-10 +0.96 -31-30 +0.30 -47-70 +0.40 -HQ 29 eq | State | Stat

	4	4
	-	d

FT MANAGED FUNDS SERVICE

FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Unit Trust Prices are available over the telephone.	ityline Help Desk on (071) 873 4378 for more details.	Size Office + or Yight ber Carde Side Come + or Yight Carde Side Come Price Price Price Come Price Pri	Std Other our Yahl Std Other our Yahl Price Price Crues Brang
Providence Capital Life Assc. Co Ltd - Contd. Scottish Amicable 100 St Meson St Gasgoo 841–240 Zt Contd. Aprile Paraller Rands 177.4 -0.7 -0.4 -0.7 -0.4 -0.7 -0.5 -0.4 -0.7 -0.5 -0.4 -0.7 -0.5 -0.5 -0.4 -0.7 -0.5 -0	Step Afficiation Compts Compts Step Afficiation Compts	Royal Standia Life Assurance Ltd Costd. Balaing Goley	A
Fuel Information	GI European	Sun Alikance International Life PO Bits 77, Rev S. S. Per Port, Goog North American East 9, 0, 313.52 13.40 North East 10, 10, 10, 10, 10, 10, 10, 10, 10, 10,	To Particular May 5 10.00 Int. Date: Ref State Air 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Supplyin S, London WTP 24P Presented Billianger Feater 1922	Approximate	Bid Other or Yeld Friends Section Control	Second Companies Second Comp
Second	Property (Loci Justices \$77.2 40.2 50.3 51.	Foster & Brailtmento Ltd 1 London We Edga Loncon RCM 983 (T1 59 811) 1 London We Edga Loncon RCM 983 (T1 59 811) 1 London We Edga Loncon RCM 983 (T1 59 811) 1 London We Edga Loncon RCM 983 (T1 59 811) 1 London We Edga Loncon RCM 983 (T1 59 811) 1 London We Edga Loncon RCM 983 (T1 59 811) 1 London We Edga Loncon RCM 983 (T1 59 811) 1 London We Edga Loncon RCM 984 (T1 50 91) 1 London We Roman RCM 984 (T1 50 91) 1 London We Roman RCM 984 (T1 50 91) 1 London We Roman RCM 984 (T1 50 91) 1 London We Roman RCM 984 (T1 50 91) 1 London We Roman RCM 984 (T1 50 91) 1 London We Roman RCM 984 (T1 50 91) 1 London We Roman RCM 984 (T1 50 91) 1 London We Roman RCM 984 (T1 50 91) 1 London We Roman RCM 984 (T1 50 91) 1 London We Roman RCM 984 (T1 50 91) 2 London RCM RCM 984 (T1 50 91) 2 London RCM RCM 984 (T1 50 91) 2 London RCM PC 984 (T1 50 91) 2 London RCM PC 984 (T1 50 91) 2 London RCM RCM 984 (T1 50 91) 2 London RCM PC 984 (T1 50 91)	PO Sox 2. Cardetives, 104 1 70 1 70 1 70 1 70 1 70 1 70 1 70
Second	Pens. 2. histories Acc. 429 9 452.6 -0-3 Secretary Read for CT \$43.3 Pens vateries. Acc \$29.2 \ \$1.15 Pens vateries. Acc \$29.2 \ \$1.25 Pens vateries. Acc \$1.25 Pens vate	## Professional services 1921 1921 1922 1923 1924 192	Macrophorus Car. Disk- 199 150 1
1 1 2 2 2 2 2 2 2 2	Manual Person 173.00 18.	### A Divers Secretary & Downles Invest Mang Pic #### A Divers Secretary & Downles Invest Mang Pic ##### A Divers Secretary & Downles Invest Mang Pic ###################################	Current S Stell Cas A Stell S
10 10 10 10 10 10 10 10	Managed Fund 190 0 200 8 For Fund 190 0 200 8 For Fund 190 0 200 8 For Fund 190 0 190 0 190 0 For Fund 190 0 190 0 190 0 For Fund 190 0 190 0 For Fund 190 0	Name of 16 Col. 1224 131 132	Investment F
Section Sect	23.4	OVERSEAS 00000 0000 0000 0000 0000 0000 0000 0000 0000 000	Part
New Color Man 137 0 144.5	Color Colo	Section Color 10,200 4,000 4	St. Stoffer APP 30
Image: List	Paralline	The state of the s	John Greet (Chammel Islands) Ltd (1000)
Tax Exempt	Hodge Fund. 372.7 963.4	Use Against being A Sanis Pr. One Outsite Seam, Enaburgh RDZ 402 RDZ 405 Against Sin nor CS - 2.53 Touting Transpay-Forward Lind Japanese OTC 120.5802 10.2277 Hamberish Fund Managers (Suemesey) Ltd Japanese OTC 120.5802 10.2277 Hamberish Fund Managers (Suemesey) Ltd Japanese OTC 120.5802 10.2277 Hamberish G 8 RV SP0.34 63.0 Hamberish G 8.08 SP0.34 Hamberish G 9.08 SP0.34 Hamberish G 9.08 SP0.34 Hamberish G 9.08 SP0.34 Hamberish G 9.08 SP0.34 Hamber	Second Process 1912 1918
Aus Petro Fel 15.1.3 74.1 40.7 - Informational 330.7 864.7 40.3 - 3 10.5 10	•	t.	Marchell Informational Assoc pic USS State Control Contr

1479 - TIL

FT MANAGED FUNDS SERVICE

FT Cityline Unit Trust Prices are available over the telephone. Call the FT City		43
Standard Bank Fund Agent (Jessey) Ltd Rarrison Inc.	i fall. Cross Stal. Office +or Yeard Stal. Office +or Yeard Stal. Cross Stal. Office +or Yeard Stal. Office +or Yeard Stal. Office +or Yeard Stall Office +or Ye	Sid Offer war Yield Price Price - Coors
PO 000: 30, 34 Habor, Jensey C	China Perticita	Indigentational Fund Inte
Barrolays Intil Funds Adm Salection Funds	Commercial Continues Conti	Fortil
State Color Colo	10 10 10 10 10 10 10 10	rust Inti Mioney Market Fund 85 Actr(100-1)
Florming Group Robert Pierning Management (Jersey) Lar Robert Pierning Management (Jersey) Lar Condendation for the No. 92.06. Section of No. 1. 06115.09 Forming C. Colordini Mangent (Jersey) Lini Ryso Forbing C. Colordini Mang	Second color Seco	### Comparison 118 13
Description Communication Description Communication Description Communication Description Communication Description Description Communication Description	14 flux foor Tayout 1-CODE 14 flux foor Tay	a Fermitte Co. 10 10 10 10 10 10 10 1
Section Sect	Sept Life Global Management Lid (u)	100 100
Anchor Set Edge (A		atengter RAG state (acc syst) street Basque SA supple SA
Royal Bik of Scutland Fd Mingrs (Jerney) List Lac ORD 302 20004220(1) Income of Script Electron 1 (1) 15.02 1.40 1	Control For	12
Scientizar Worthwite Sciention Fd Ltd Seguity Chan Funds American American Sequity Chan Funds Sta 31 18.25	Warning Prescription Services Servic	100 100
Typicial interruntianial (Jersey) Ltd. GR Pd	Price Pric	
LUXEMBOURG (SIB RECOGNISED) In Gase 284 Other Price Constitution Chief Price Chief Constitution Chief Price Chief Constitution Chief Price Chief Constitution Chief Chi	Dept. Dept	# Frund Company (Namono) Ltd 0 0 0 0 0 0 0 0 0
Barryten Stahnslander 3 Linearthoury Barryten Stahnslander Barryten St	Column C	1933 Acc
Barcalrys Diversified Portfolio S62 4799 2939 American Growth American Growt	Part	ramy gams. If Secondard. 4 Yald beloft little to the district of the district of the contracts books. 4 print elever amount of the research books. 4 print elever amounted refer or IMV increase, as

CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

DM weaker as Danes vote

BOTH the D-Mark and the Swiss franc continued to weaken in European trading yesterday as dealers took the view that there would be a strong Yes vote in Denmark's referendum on the Maastricht treaty, writes James Blitz.

The first exit polls following the referendum were still being awaited early yesterday evening in London. But the last opinion poll before voting commenced gave the Yes camp 58 per cent and the No camp 42 per cent - and this suggested that tensions in the European exchange rate mechanism were about to ease.

As on previous days, the expectation that the treaty would be ratified led to unwinding of positions in both the D-Mark and the Swiss franc, both of which have been viewed as safe haven curren-cies in the event of a No vote.

The dollar gained significantly from the D-Mark's weakness, rising more than a pfennig to peak at DM1.6272 in Europe and reaching a 7-week high. It later closed in London at DM1.6240. Again, a factor pushing the dollar up against the German currency was spec-ulation that the Federal Reserve's Federal Open Market Committee would lean towards

£	M	NEW	YORK

May.10	Latect	Premous Clase		
£ Spot 1 month 3 months 12 months	1.5315-1.525 0.41-0.40pm 1.12-1.16pm 3.63-2.70pm	1.5355 1.5365 0 41 0.40pm 1.12 1.10pm 3.83 3.73pm		
	ans and discounts			

		May.18	Previous
8.20	am	60 1	80.1
9.00	200	E0.1	201
10 OC	3m	60.0	80.1
11 00	267	80.0	60.1
Noon		BO 0	20.1
1 00		60.0	20 1
200	FT	80.1	80.0
2.00	pm	802	50.1
4 (0	pm	20.2	300

92y 18	. II	Drawing Rotes	Garretay Unit
CHARLES OF THE CHARLE	. 8875917850 89 5889	091739 14444 16455 16755 16765 177657 17657 17657 17657 17657 17657 17657 1767	0.787523 1.2333 1.5233 1.5233 1.5741 40.1739 7.56410 1.3464 2.16111 6.5016 1.7464 2.8644 2.8644 4.8657 6.86329 1.774449 0.801327
Early rath refer these are not ex-	es to cent	ve UR: Spatn ar	त्तं व्यातः यं वेकंगच

CURRENCY MOVEMENTS

44144		Saffwy w w in
May 18	Bank of England Index	Morgan Changes %
Sterling	60.2	-29.82
U.S Dollar	64 5	-13.50
Canadian Dollar	94.3	-795
Austrian Schilling .	114.0	-10.09
Betgran Franc	115.2	+1.43
Danish Frene	1174	+11.57
D-Mark	123.9	+31.02
Switzs Franc	118.1	+16 58
Dutch Guilder	110.0	+20.79
French Franc	109.5	-6.70
Lira	82.8	-32.68
Yen	1700	+109.76
Peseta	91.9	-29.97

Morgan Guaranty changes: average 1080-1982-100. Bank of England IBase OTHER CURRENCIES

May 15	3	\$			
Argentina	1.5260 · 1.5285	0.9980 - 1 0000			
Australia	2.2090 · 2.2110	1.4460 - 1.4470			
9925		37336.8 · 37337.2			
Finland		5.5400 - 5.5600			
Greece	332,150 - 338,750				
Hang Kong		7.7280 • 7.7280			
Iran		1642.00 • 1644.00			
Korea(Sth)	1220.65 · 1240.35	798.70 · 205.10			
KINGS	0.46000 - 0.48100	0.30100 • 0.30150			
Livernbeurg	51.00 - 51.10	33.30 - 33.40			
Malaysia	3.9250 - 3.9355	2.5680 · 2.6690			
Menico	4.7690 • 4.7720	3.1220 · 3.1240			
N.Zoaland _	2.8450 - 2.8490	1.8625 - 1.8650			
Seudi Ar	5.7290 - 5.7405	3.7495 · 3.7505			
Singapore	24685 - 24750	1.8160 - 1.5170			
S.AJ (Cm)	4.8690 - 4.8605	3.1875 - 3.1895			
S.Al (Fin)	7.1640 - 7.1945	4.6900 - 4.7100			
Talwan	39.50 - 39.65	25.85 - 25.95			
LAE	5.8100 · 5.6230	3,6715 - 3,6735			

MONEY MARKETS

DEALERS in the sterling futures market yesterday pon-dered the possibility that the

UK might cut base rates again

this year, as they awaited the

Bank of England's inflation report and a raft of economic

indicators due later in the

Both the June and Septem-

week, writes James Blitz.

tightening monetary policy fol-lowing last week's higher than expected figures for US infla-

The results of the meeting, which took place yesterday and continues today will not be known for some weeks. . In Europe, expectations of a Yes vote led dealers to go long of several currencies outside the D-Mark bloc and to short the Swiss franc, which closed

at SFr0.910 to the D-Mark from

a previous SFr0.909. The Italian lira was the atrongest performer on the continent, closing at L909.2 against the D-Mark from a previous L914.9. The rise in the lira partly reflected strong buying of Italian bonds, with the 5 year BTP future moving up more than 40 basis points on

Sterling also enjoyed a strong performance, again driven by the same factors. The pound closed at DM2.4875. a full pfennig higher on the

The clearest aign that the market was expecting a Yes vote was, of course, the Danish krone's performance. Denmark's currency peaked at DKr3.8250 against the D-Mark. but later weakened on profittaking to close at around DKr3.8425. Its divergence indicator against its Ecu central rate fell to around minus 37 basis points at the close of London trading, some 3 hasis points higher than on Mon-

day's close. An important question facing the market today is whether the D-Mark's performance has been sufficiently bad in recent days to make the Bundesbank think twice about cutting the discount rate at its

council meeting today.

A 25 basis point easing in the discount rate has been anticipated, hut several Bundesbank officials have recently expressed concern ahout the dangers of imported inflation.

EMS	EUROPE	AN CUR	RENCY L	NIT RAT	ES	
	Ecu Central Fletes	Curtency Amounts Against Ecu May 18	% Change from Cantral Rate	% Spread ve Weakest Currency	Olvergence Indicator	
anish Pesata nagutas Eacudo h Punt sch Galder lgian Franc meh Franc	154.250 192.854 0.808628 2.19672 40.2723 1.94964 6.53883 7.43679	148.867 186.905 6.801327 2.19110 40.1799 1.95424 6.59016 7.50410	-1.49 -1.85 -0.90 -0.25 -0.00 0.24 0.79 0.91	4.55 4.12 1.82 1.16 0.99 0.67 0.12	81 45 45 10 10 10 10 10 10	

K3y 18	Day's spiedd	Cose	One worth	67 %	These profiles	\$ P2
	1.5225 - 1.5340	1.5310 - 1.5320	0.41-0.39cpm	3 13	1,14-1,11pm	2.94
ada	1.9415 - 1.9595	1.9480 - 1.9490	0.29-0.19cpm	1.45	0.53-0.29pm	0.94
erizands J	27735 - 27925	2.7825 - 2.7925	e actis	-1 08	13-1405	-0.90
tura;	50.85 - 51.28	51 00 - 51.10	2-7cdts	-1.06	11-16d5	-1.06
TEACH	9 5020 + 9.5700	9.5600 - 9.5700	Tiz-4igoredis	-3.53	4-67-03	-223
md	1.0135 - 1.0135	10185 - 10:35	0,11-0.14cds	-1.47	0.33-0.4006	-143
יייי אוברי	24748 - 24900	24850 · 2.4900 /	4 · 3 pidts	-1.51	9-703	-1.21
D2	236.35 · 238.10	235 35 + 237 35 '	179-198cds	-9.55	460-478ds	-7.92
1	188.80 + 189.55	123.00 - 123.30 !	BG-112cds	-6.28 i	252 295ds	-578
	2261.50 - 2270.40	2261.50 - 2262.50	8-104cedis	-4.77	24-27dis	-4.51
ZY '	10.5030 - 10.5450	10.5350 - 10.5450	12-2140midis	-1.57	2 403	-1 16
	8.3330 - 8.2975 -	8.3875 - 8.3375 1	1-112003	-1 79	25g 3140ls	-1.40
		11.2025 - 11.2925	112-35 poredis	-2.72	512-71-dc	-2.26
	170.20 - 171.25	170.25 - 177.25	12-32 your	3.07	13-13-00	293
2	17.38 - 17 49	17 46 - 17.49	1-200005	-103	779-4-40C	-0.23
er 200	2.7450 2.2200 .	2.2500 - 2.2700 :	14-18Cpm	099	4-1200	1 10
	1.2665 - 1.2720	12730 - 12730	0 20-0-23009	203	0 46-0.570%	-1.54

DOLI	AR SPOT	- FORWAR	D AGAIN	ST T	HE DOLL	AR
Nay 18	Cay's Larged	Clase	Occuments	pa	मिल्ह मक्तीद	br 2
retacti intraca intrac	1.6235 · 1.5340 1.4670 · 1.5045 1.2719 · 1.2700 1.8105 · 1.8250 32.50 · 32.50 6.1985 · 8.2480 1.6740 · 1.6245 1.6740 · 1.6245 1.6740 · 1.6245 1.6740 · 1.6245 1.6740 · 1.6245 1.6740 · 1.6245 1.6740 · 1.6245 1.6410 · 1.6245	6,8800 - 6,8950 5,4775 - 5,4825 7,3675 - 7,3725 111,50 - 111,60	0 41-0 39cpm 0.60-0 57cpm 0.16-0 20cds 0.63-0 66cds 11.00-13 00cds 2.50-3,70creda 0.64-0.85pds 142-153cds, 9.50-10.30kmds 2.50-1.05creda 2.50-1.05creda 3 10-1.80creda par-0.01yds	3.13 4 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	1,14-1,11pm 1,70-1 E5pm 0,61-0,676 1,74-1,806a 31,00-35,000a 7,50-10,090a 1,75-1,77da 410-4500a 250-250da 27 00-28 00as 6,80-7,80as 5,87-6,03da 9,10-10,20da 9,10-10,20da 9,10-10,20da	294 420 -289 -289 -289 -280 -2111 -1111 -744 -434 -434 -434 -434 -434
ertena	11,3600 - 11,4500 1,4650 - 1,4820 1,1990 - 1,2085	11,4275 - 11,4325 1,4785 - 1,4795 1,2025 - 1,2035	3.90-4.20grada 0.25-0.28cds 0.51-0.50cpm	-4.25 -2.15 5.04	10.90-11.70ds 0.71-0.76ds 1.37-1.357m	-3.55 -1.59 4.52

primarcial rates taken primard promises and	temports the end descripts apply t	of London to a the US deli	acting, † UK ar and not	ireland . In the in	and Ecu : Bylgual c	musack ne daoi

May 18	Short	7 Days	One Month	Three Months	Sty Months	One Year
Agrico Gordon Go	8½ 6½ 3½ 2½ 4½ 4½ 7½ 55 8½ 7½ 8½ 7½ 8½ 7½ 8½ 7½ 10½ 10½ 12½ 12½ 12½ 12½ 12½	6-1, 6-1, 3-1, 3-1, 3-1, 3-1, 3-1, 3-1, 3-1, 3	84 - 6 34 - 3 44 - 474 55 - 7 - 7 - 7 7 - 7 - 7 - 7 7 - 7 - 7 - 7	674 674 374 375 574 474 7 675 5 774 774 1003 774 374 374 314 374 314 274 315 1134	33534 25834250 33584726833425	63 64 64 65 65 65 65 65 65 65 65 65 65 65 65 65

52½ per cent agada	al. Short	term rati	3 m a	A for U	S Dollar ar	d lapanese	Yes; other	s, two (
	E	(CH	ANG	E C	ROS	RAT	ES	
		_	_					

EXCHANGE CROSS RATES												
May.10	Ę	\$	DM	Yen	P Fr.	S fr.	S FL	Lifa	CS	6 Fr.	Pta.	Sau
£	1	1,532	2.488	170.8	8.392	2.265	2.783	2262	1.949	51.05	189.2	1.27
	0.653	1	1.624	111.5	5.478	1.478	1.820	1477	1,272	33.32	123.5	0.83
DM	0.402	0.616	1	68,65	3,373	0.910	1.121	909.2	0.783	20.52	76.05	0.512
YEN	5.855	8.970	14.57	1000.	49.13	13.26	16.32	13244	11.41	298.9	1100	7.45
FB.	1.192	1.826	2.965	203.5	10.	2.699	3.322	2695	2.322	60.63	225.5	1.517
6 Fr.	0.442	0.876	1.098	75.41	3.705	1	1.231	998.7	0.880	22.54	83.53	0.56
S FL	0.359	0.540	0.892	61.28	3.010	0.612	1	611.3	0.899	18.31	67.86	0.457
Lira	0.442	0.677	1.100	75.51	3.710	1.001	1.233	1000.	0.662	22.57	83.64	0.563
C S	0.513	0.786	1.277	87.63	4.306	1.162	1,430	1161	1	26,16	97.08	0.653
B Fr.	1.959	3.001	4.874	334.6	16.44	4.437	5.461	4431	3.810	100.	370.6	2.49
Pta	0.529	0.810	1.315	90.27	4,436	1.197	1.474	1198	1.030	26.98	100.	0.673
Ecu	0.786	1,203	1.954	134.2	8.592	1.779	2.100	1777	1.531	40.10	148.6	1.

1-auth, 3-anth, 6-auth, 12-anth, 1,6275 1,5203 1,5101 1,4925 FT LONDON INTERBANK FIXING

The June short sterling contract closed 4 basis points

ber sterling interest rate contracts were pushed higher, as dealers took the view that the unemployment data, due tomorrow, and the inflation data due on Friday, would point to another cut in base rates later this year.

UK data awaited

UK clearing bank base lending rate 6 per cent from January 26, 1993

Weekend newspaper reports said the Bank would take a hard line on inflation in its quarterly report, and this had pushed sterling futures down on Monday.

However, dealers yesterday anticipated that the report. which was issued at 5 pm last night, would reflect only mild concern about the prospects for inflation. And they were right to do so.

In a chart printed at the end of the report, the Bank projected the inflation rate as remaining within the target band of 1-4 per cent outlined by the government for the next

"The changes since the last Inflation Report have lowered slightly both the expected inflation rate and the probability of breaching the 4 per cent limit during the course of this year," the Bank

higher at 93.94 and the September contract closed 7 basis points higher at the same

The sterling cash market was more-or-less unmoved yesterday. Three-month money closed unchanged at 64 per cent. The overnight rate dropped to about 5 per cent but the market had some difficulty removing a tiny daily shortage of £350m.

In Germany, the Bundesbank left its repo rate unchanged at 7.60 per cent, compared to some expectations of a rise in the rate.

Short-dated Euromark contracts reflected this move. The June Euromark contract rose 3 basis points on the day, to close at 92.88. Dealers anticipated a cut of at least 25 basis points in the discount rate at today's Bundesbank

council meeting. German call money also eased marginally, to 7.90 per cent, after the Bundesbank added a net DM6.7bn at its weekly repo operation.

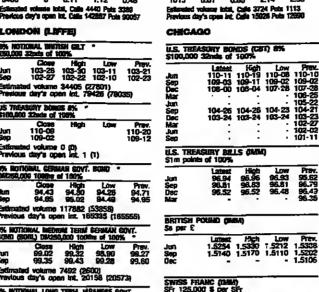
(11.00 a.m. May 18) 3 months US dollars offer 3³ The fixing rates are the arithmetic means rounded to the nearest one-ebsteenth, of the bid and offered rates for \$10m quoted to the market by five raterance bunks at 11.00 a.m. each working. But the research working the second MONEY RATES

		MOILE	· rue	E-3		
NEW YORK			Treasury	Bills and B	onds	
Lunchtime	One month			to year	4.44	
Prime rate Broker loan rate Fed.funds Fed.funds at interver	Sty month One year _	h	3.07 See 3.16 10- 3.39 30-	yearyear	5.72 6.08	
May.16	Overnight	One Month	Ywo Months	Three Months	Stx Months	Lombard Intervention
Frankfurt. Parie Zurich Amsterdam. Tokyo Milan Brussels Dublin	7.80-8.00 613-813 5-514 7.67-8.00 313-314 113- 73-773 73-773	7.55-7.85 74-77 51-52 7.85-7.90 105-1013 74-72 74-73	-	7,25-7,40 7,2-7/6 5-514 7.52-7.57 1014 71 ₉ -71 ₄ 71 ₂ -75 ₈	5.95-7.10 : :	8.50 7.75
-	LOND	ON M	ONEY	RATE	S	

LONDON MONEY RATES							
May 16	Overnight	7 days notice	Oraș Manto	Three Montes	Six Months	Cine	
Interbank Offer Interbank Bid Starling CDe.	65 ₈ 5	64 54	5556	87° 237 67°	6/k 6/4	63g 64g 633	
Local Authority Depa Local Authority Books Discount Mikt Deps	6 ¹ 2	<u>.</u>	<u>-</u>	27 27	67. 67. 64.	67) 64)	
Company Deposita	-	-	63	81 ₈	- 82	- 6å	
'reasury Bille (Buy) lank Bille (Buy) line Trade Bills (Buy)	Ξ	-	6시 9년 6월 -	8년 5월	83 55	-	
leiter CDs	Ξ	Ξ	24 4 4 8 7 7 9 1 7 9 1 9 1 9 1 9 1 9 1 9 1 9 1 9	2.98 44 442 744 715	3.07 4.5 4.7 7.2 7	3.33 44	
CU Linked Dep. Offer CU Linked Dep. Bid	=	-	73	7/4 7/4 7/5	72 7	3.33 4.6 4.6 7.1 613	

Treasury Ellis (sell); one-month 5% per cent; three months 5% per cent; Treasury Ellic, Average bender rate of discount 5,3745 p.c. ECED Food Rath Stanling Export Finance, Make up day April 30, 1993. Agreed cates for period May 25, 1993 to July 22, 1993 Schemes 18 & 18 7,28 p.c. Reference rate for period April 1, 1983 to April 30, 1983, Scheme NAM: 6,010 p.c. Local Authority and Finance houses seven days notice, others sweet days' Red. Frience Houses Seve Rate 6½ from May 1, 1993-Bank Deposit Rate of Seve Rate 17 days notice 5% p.c. Certificates of Tax Deposit (Series 6); Deposit £100,000 and over held under one month 24 p.c.; one-time months 5% p.c.; Brue-six manths 5 p.c.; sh-fibe

FIN	ANC	HAL	FU	TURE	s an	ID (PTI	ONS	\$					
	MÉ ÉILT Géins of	FUTTURIES (PTICKS			IRO SATS points of	190%	PTIQUES		LIFFE IN	NED FET(C) OO points	E 0700 d 100%	15	
Strice Price 101 102 103 104 105 100 107 108 streated revices	2-52 1-54 0-81 0-23 0-06 0-01 0 0	Sep 2-49 2-49 2-07 1-38 1-08 0-51 0-34 0-23 0-14 btd, Calls (-ten 0 0-02 0-09 0-35 1-18 2-13 3-12 4-13 2848 Pub	Sep 0-59 1-17 1-48 2-16 2-61 3-44 4-33 5-24 3468 66062	Strike Price 9425 9450 94575 9500 9525 9550 9575 9600 Estaution	Jun 0.74 0.50 0.25 0.09 0.03 0.01 0	ettiegnents Sep 1.13 0.89 0.66 0.45 0.27 0.15 0.07 0.03 btd, Calls 1	Jun 0 0.01 0.02 0.10 0.29 0.52 0.78 1.01	Sep 0 0 0.01 0.03 0.07 0.14 0.27 0.44 0.65	Strike Price 9300 9450 9450 9500 9500 9650 9650 Estimulad Previous	Jun 1.44 0.95 0.48 0.15 0.04 0.02 0.01 0	1.87 1.87 1.49 1.15 0.86 0.83 0.44 0.30 0.21 total, Calls 1 let. Calls 1	350 0.01 0.02 0.05 0.05 0.05 1.09 1.58 2.07 0112 Pa	**************************************
	ROMARK cluss of 1				LEFFE TO		FT, BOND (BU? RIT m 1902a	UNIES of 100%		OFT STEE	1 100%	395	
Strike Price 9225 1250 9275 1300 1325 1350 1375 1400 Sinsted refous 6	0.83 0.39 0.17 0.06 0.02 0.01 0 volunte la	Elements Sep 1.40 1.15 0.93 0.70 0.49 0.31 0.16 0.11 tal, Calls 1	0 0.01 0.04 0.10 0.39 0.83 0.87 1.12	tilements Sep 0 0.01 0.03 0.05 0.09 0.16 0.28 0.48 3389	Strike Price 8800 9850 9950 1000 1005 1015 Estimator Previous	Jun 1.40 0.92 0.50 0.25 0.11 0.03 0.02 0.01	Sep 2.27 1.95 1.95 1.42 1.20 0.98 0.02 0.65 outs, Culs 3	Jun 0.03 0.05 0.13 0.38 0.74 1.16 1.85 2.14	Sep 1.11 1.30 1.52 1.76 2.04 2.32 2.66 2.99	Strike Price 9325 9325 9400 9425 9400 9425 9400 9475 9500 Edicated Previour	0.65 0.45 0.21 0.07 0.03 0.01	500 0.75 0.54 0.36 0.22 0.14 0.08 0.05 0.03 0.03 0.03	Am 0 0.01 0.02 0.13 0.34 0.57 0.81 1.06 2664 Pat	\$ 0.1 0.1 0.4 0.4 0.8 1.0 1.0
	ᅄᅋ				CHICA	LGO								
	Close	ISH GILT 100% High		-		0 32nds	of 100%			342448 Y125m	S per Y	100		
		unger	1,044	Prev.		144	444 (54		Chroni		120	eer Hic	n Lo	TAX .



Close High 106.96 107.11 106.02 106.16

Close High Low 99.37 99.55 98.82 99.16 99.29 98.60

| Volume 29734 (12799) day's open lat, 89971 (40530) TIONAL SPANISH GOVE BOND (BONDS Close High Low 94.32 94.46 94.15

96.70 96.55 96,07 95,94

Close High Low 92.88 92.89 92.83 93.65 93.68 93.61 94.10 94.13 94.05 94.47 94.50 94.43

Estimated volume 89814 (58453) Previous day's open int. 563450 (580682)

93.38 93.39 93.36 93.35 93.73 93.65 93.60

Close High 92.39 92.39 93.07 93.08

Estimated volume 2930 (2793) Previous day's open int. 24195 (23558)

Close High Low 94.99 95.02 94.93 95.38 95.44 95.34 95.68 95.69 95.65 95.76 95.76 95.73

Estimated volume 5634 (2931) Previous day's open int. 49634 (48783)

Estimated volume 9308 (8002) Previous day's open int. 50393 (49840)

Close High Low 2857.0 2879.0 2848.0 2880.5 2885.0 2873.5 2902.0

acts traded as APT. Closing prices show

FT-SE 100 DIDEX * \$25 per full index point

POUND - DOLLAR

THREE MONTH ECU ECU Trii points of 100%

96.55 96.13 96.03

95.00 95.43 96.69 95.79

Prev. 98.75 96.81

& POORS PHILADELPHIA SE E/S OPTIONS 831,250 (cents per E1)

Strike Price 1.475 1.500 1.525 1.575 1.600 1.625 Sep 2.76 3.79 5.05 6.55 8.16 10.04

CAC-40 FUTURES (MATIF) Stock Index 1844.0 1846.0 1826.0 1828.5 1823.5 1826.0 1857.0 1847.0 volume 28,533 † Total Open ECU BOND (MATIF) 113.90 113.78 113.94 sated votume 3,037 † Total Open Interes: 11,839

0.08 0.05 1.28 0.GZ 89,178 157,073 22,167 251 544,292

BASE LENDING RATES

	%
Adam & Company	6
Alfied Trust Bank	_ 6
AlB Bank	. 6
OHenry Ansbacher	. 8
6 & C Merchant Bank	_ 13
Bank of Baroda	. 6
Banco Bibao Vizuziya.	_6
Bank of Cyprus	
Bank of Ireland	
Bank of India	_6
Bank of Scotland	_5
Oceanies Classic	•

Brit Bk of Mid East 6

Credit Lyonnais.

Equatorial Bank pic S Exeter Bank Limited 7 Financial 6 Gen Bank ... 7. ●Robert Flerring & Co _6 Girobank.....6 OGuinness Mehon ... Habib Bank AG Zudch _6 Heritable & Gen Inv Bk. 6

Flockunghe Bank Ltd ... 6 Floyal Bik of Scotland ... 6 Smith & Wilmsn Secs. 6 Standard Chartered 6 Unity Trust Bank Pic ... 6 Whiteaway Laidlaw 6 Wenbledon & Sth West.7 Julian Hodge Bank 5 CLeopold Joseph & Sons 6

Merchant Banking & Securities Houses

Mount Benking

eRea Brothers

When you are trading futures on your own, information is a very valuable

commodity.

We have been serving futures traders since 1965 - so we know what kind of information they need. And we have established the most compreh program in the industry to make sure they get it.

Tele, no (optional)

To meet traders' needs for market and trading strategy information, we created our IntroAccount trading kit -- free to all new customers. You get Commodity Perspective charts, a subscription to Futures magazine, trading guidelines that can help you become a more successful trader. You also have call-free access to with daily market analysis and trading recommendations from a top trading advisor.

To meet traders' needs for informat about the types of orders and how to place them, we wrote "Order Placement Made Basy," a step-by-step guids to the process and to the types of orders available to you. And we make sure the professionals on our Trade Centre staff provide the information and help that's right for you - from "walking you through" how to place an order to filling you in on just-breaking market information.

All the help you need to start trading on your own - plus 50-70% sion savines. Isn't it time you ook s close look at Lind-Waldock?

0800-262-472 (ux) Outside the U.K., call toll-free by di Belgium: 078-118444 West Germany: 0130-818100 France: 06-908343 milaeriand: 046-058338 Notherlander 06-022-7580 Others call 071-247-1701, reverse charges Fulcas trading involves risk, including the risk of Fas: 071-247-0411

Telex 885121 BER STA - CHICARD - LONDON - MENTYORK LIND-WALDOCK & COMPANY

MONEY MARKET FUNDS

Money Market Trust Funds



Money Market Bank Accounts



1988125 BP15

22,762 24,147 184 12,661

URC Trust Limit 110 4.31 Mm 3.38 4.57 Mm 00000 Act. _____ 425 4.36 | 9.00 | NO

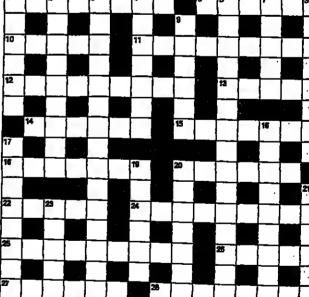
Tyrodafi & Co Ltd 29-33 Prioceso Victori

Congressor Sections

14

CROSSWORD

No.8,154 Set by HIGHLANDER



ACROSS I Give incentive to back four in

match (8) 5 Dally and flirt outrageously with sweetheart (6)
10 Musical produced in London theatre (5)
11 Not riding a horse without

any support (9)
12 Partner obtains first class turnover from financial groups (9) 13 Ornamental shrub has to

appear variegated (5)

14 Not many, they say, with hat on - it's pointless (6)

15 Major is on record in determining principle (7)

18 Oaks of the highest standard? (7) 20 Fleet meets second stretch of

24 Abstained from two notes at

end of chorus (9) 25 Make sport of rotten example of China (9) 26 Victor loses point for shot off the hull (5)

27 They go out on stage without an original tune (6)
28 Sets off with sail fitters on

1 One caught in man's evil intent (6)

Salt worker starts to unwrap large American spider (9)

3 Plum position in railway terminal (8,7)
4 Institutional board member finds corrosion in pipe joint

6 Linkage group shy off giving a general estimate (7,8)
7 Three women of destiny ganger. up on soccer authorities (5)

Decign to decorate what's stuck inside cover (8)

9 Print measurement on outer layer of tier and board...(6) layer of tier and board...(v)

16 ...or take steps to incorporate in official measure (9)

17 Get away with half unable to take off immediately (8)

19 Almost reduced charge for man of the cloth (6)

20 He removes immediates in free

20 He removes impurities in free

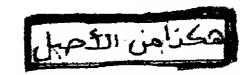
rough water (6)

22 That road roundabout contains key part of arterial system (6)

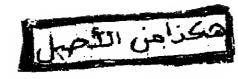
23 Is very taken with fuss about Sunday opening (8)

25 Go by horse round middle of the contains the con piggery to see hog's back (5) Solution to Puzzle No.8,153

PLITTING WALTER
O N A A P E E
LAOVEIND BAIRNS
L I O R C R W E
OSTEOPATH TRIER OSTIGOPATH TRUEN
WE TO MOV
E TO MOV
A F D
COAGNED RUTH
C D E E A G D
UTTER AFTERGARE
A I B I R I
A I B I R I
A I B I G C G F



+8 -16 -5 -10 -70 -8 -10 -7 -8 -10 -40 +40



TIMES WEDNESD		D STOCK MARKETS	45
August	CETOMANY (atomitismed) MICTHERLANDS SWEDOW (or	**************************************	NADA
Section	Total Part	Solid	Sales Stock
April	Total Francia	108 -4.50	CBS_MF_SM_End_19830 217.0 217.0 218.3 221.8 223.50 (1849 198.00 (1371) MODERS (MG_CP) (1853) B14.22 (2) 814.80 811.94 827.94 (652) 889.60 (2771) FYBE_PPARKETS Marike Campa (27185) 1986.14 1618.04 1894.75 1596.18 1654.20 (553) 1270.88 (471) SINGAP/ORIE SSS_MS-Bingsone (27175) 451.82 454.02 455.23 455.55 461.82 (1853) 394.10 (1377) SCUTTH AFFECA SSS_GAS (289770) 1804.03 1658.0 1662.0 1638.0 1662.00 (145) 475.00 (571) SSS_DOUTH ROPEA— Rown Comp. Ex. (47180) 772.01 777.17 707.01 710.81 737.50 (284) 605.93 (653) SPANN Mathrestica (289770) 1083.2 1083.2 1081.5 1072.1 1083.20 (1775) 879.16 (2871) SMYEDEM Mathrestica (28.17187) 1083.2 1083.2 1081.5 1072.1 1083.20 (1775) 879.16 (2871) SMYEDEM Mathrestica (28.17187) 1083.2 1083.2 1081.5 1072.1 1083.20 (1775) 879.16 (2871) SMYEDEM Mathrestica (28.17187) 1083.2 1083.2 1081.5 1072.1 1083.20 (1775) 879.16 (2871) SMYEDEM Mathrestica (28.17187) 1083.2 1083.2 1081.5 1072.1 1083.20 (1775) 879.16 (2871) SMYEDEM Mathrestica (28.171870) 1083.2 1083.2 1081.5 1072.1 1083.20 (1775) 879.16 (2871) SMYEDEM Mathrestica (28.171870) 882.9 865.2 977.2 977.4 982.00 (1875) 974.16 (2871) SMYEDEM TANANAM** Telephoto (287180) 872.0 881.56 881.90 877.32 898.44 (2571) 878.16 (473) TANANAM** Telephoto (287180) 872.0 881.56 881.90 877.32 898.44 (2571) 878.16 (473) TANANAM** Telephoto (287180) 872.20 881.56 881.90 877.32 898.44 (2571) 878.16 (473) TANANAM** Telephoto (287180) 872.20 881.56 881.90 877.32 898.44 (2571) 878.16 (473) TANANAM** Telephoto (287180) 872.20 881.56 881.90 877.32 898.44 (2571) 878.16 (473) TANANAM** Telephoto (287180) 872.20 881.56 881.90 877.32 898.44 (2571) 878.16 (473) TANANAM** Telephoto (287180) 872.20 881.56 881.90 877.32 898.44 (2571) 878.27 (1371) TANANAM** Telephoto (287180) 872.20 881.56 881.90 877.32 898.44 (2571) 878.27 (1371) TANANAM** Telephoto (287180) 872.20 881.56 881.90 877.32 898.44 (2571) 878.27 (1371) TANANAM** Telephoto (287180) 872.20 881.56 881.90 877.32 898.44 (2571) 878.27 (1371) TANANAM** Telephoto (287180) 878.27 (287180) 878.27 (287180) 878.27 (28718
Manufact 1,820 -60	Discourage 1,200 4-00 1,000 5-00 1,000 1	OF THE FINAL 2.3.0 + .20 2.3.0 + .20 2.3.0 + .20 2.3.2 + .20 2.3.2 + .20 2.3.3 + .20 2.3.3 + .20 2.3.4 + .20 2.3.5 + .20 2.3.	and international news, and analyse the impli- tou'll find far more than finance in the FT. al Times is read by over four times as many any other international newspaper.* by getting your own copy of the newspaper "Source EBRS 1991 "Source EBRS 1991 Additionally Tell + 4069 156830, Th. 416193, Fax. + 4069 5964483. FORY SUBSCRIPTION. Please tick here for more information about 6 and 2d month subscription rates, or rates for a country not listed opposite. [Please specify!] Name: Title Trile Company Tell Additions to which I would like my Financial Times delivered: No certer are epied inchess a signature. FINANCIAL TIMES BOTH TIMES BOTH TIMES FINANCIAL TIMES

+1 1

۲<u>۱.</u>

1980
100 Lam Stock
43 261, Kemper
10 94 Remoter Hx x
134, 124 Messer Maria
134, 124 Messer Maria
136, 124 Kempes Till x
136, 126 Kempes Till x
136, 136 Kempes Till x

| The state | The

المراجعة المراجعة المراجعة المراجعة المراجعة المراجعة المراجعة المراجعة

25 12 March 19 March

مل المداملية المبارسة المبارسة

- L -

| Table | Tabl

Tests

| Law Stack | Law Stack

ANNELS ASSESSED IN THE STATE OF THE STATE OF

-7

냭뿍

4 pm close May 18

A Company of the Same of the Same

.J₃ 173

BE OUR GUEST.

When you stay with us in BRUSSELS stay in touch - with

your complimentary copy

| Section | Compared | يد. مدر مار 中国中国的经济的国际中国的中国的中国的 化邻环烷 医阿尔特特氏征中部外的

| 1983 | 1984 | 1985 | 1984 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | 1985 | Carpor Hard And *** +1₂ -1₄ - C -

+2¹8

شقطينية والمفاطئة فالمقاط الماطط المقطية AN PROPERTY OF THE PROPERTY OF - E -

1892 Low Stock Day 891 Low Stock Day 843: 25 Custom Erd.5 3.50 865: 74 % Custom Erdin 0.80 134: 12 % Custom 1.00 114: 75 Custom 1.00 113: 84 Cycloss Se 365: 233/2 Cyptus Min 0.80

- D -

Substitution in the contract of the contract o ASS RESEARCH STEELS STE ar it strikestister 42 4444444 821233 3612 1113 1813 644

A 4444 524

2 11 FAV insur
17 12 Fav insur
18 12 Fav insur
19 12 12 Fav insur
19

40¹2 40¹2 J River PF 47 41 J River L 51₉ 22⁵ July Inc. 24⁵5 185⁵ Luckput En 24⁵5 185⁵ Luckput En 26⁷5 24⁵ Luckput En 27⁵2 24⁵ Luckput En 27⁵2 24⁵ Luckput P x 26⁵2 60 July Peter 26⁵2 60 July Peter 26⁵2 43 July Luckput P x 26⁵2 43 July Luckput P 26⁵3 37⁵4 July Luckput R 26⁵3 27⁵4 July Luckput R

3.38 7.8 11 44¹2 44¹4 44¹4 3.50 7.5 21 46²5 45 46²5 0 1167 3.5 3 3¹5 2 3 3¹5 3¹5 3 3 - K
1 0.52 3.7 7 987 14½ 13½ 14

1 0.52 3.7 7 987 14½ 13½ 14

1 0.52 3.7 17 18 35½ 35 35½

1 0.52 1.7 17 18 35½ 35 35½

1 0.53 10.8 17 35½ 25½ 25½

0.53 10.8 17 35½ 25½ 25½

0.53 10.8 17 35½ 25½ 25½

1 0.4 0.9 19 209 2 23¼ 25½

1 1.0 6.7 719 15 15 15

1 10 0.3 0.8 33 507 127½ 36½ 35½ 35½

0.10 1.3 13 86 7½ 75½ 35½ 35½

0.10 1.3 13 86 7½ 75½ 15½

0.25 1.0271 120 25½ 25½ 25½

1 1.0271 120 25½ 35½ 35½

1 1.0271 120 25½ 35½ 35½

1 1.0271 120 25½ 25½ 25½

1 1.0271 120 25½ 25½ 25½

1 1.0271 120 25½ 25½ 25½

1 1.0271 120 25½ 25½ 25½

1 1.0271 120 25½ 25½ 25½

1 1.0271 120 25½ 25½ 25½

1 1.0271 120 10½ 95% 10½

1 1.02 23 19 1803 57½ 56½ 55½

9.50 2.8 14 100 25½ 25½ 25½

9.50 2.8 14 100 25½ 25½ 25½

9.50 2.8 14 100 25½ 25½ 25½

9.50 2.8 14 100 25½ 25½ 25½

9.50 2.8 14 100 25½ 25½ 25½

9.50 2.8 14 100 25½ 25½ 25½

9.50 2.8 14 100 25½ 25½ 25½ +38 +18 172 +38

31 % 25% MBB Bancp
73 00% MRH Corp
10% 16% MSE 88
00 44 Nacco Ind X
25% MRH Corp
10% 25% Hasting Gp
10% 65% Hasting Gp
10% 65% Hast Sung
10% 65% Hasting Gp
10% 65% Hasting Gp
10% 10% Hasting
10

- N -

在少年本本 有七十年本 中 本日 有其的本 -14 -14 +214 +214

- R -The state of the state of

THE STATE OF THE S HATTER BASE AND STATE OF THE STATE OF S

Addition of the state of the st

43 33 4 PMH COP

30 2 23 4 PMM COP

30 2 23 4 PMM COP

30 3 2 1 PMC PMM

30 4 PMC PMM

30 4 PMC PMM

30 5 PMC PMM

30 5 PMC PMM

30 6 PM 1 115, Pigrim HB
912 B4, Pignim P
9212 193, Primario P
2213 193, Primario P
2214 193, Pignim P
2214 193, Pignim P
2214 193, Pignim P
2214 Pignim P
2215 P
2216 Pignim P
2216 P
2216 Pignim P
2216 P
2217 P
2217 P
2218 Pignim P
2218 P
2219 P
22

عكنامن الدميل

THE P St Cross Fig. 1 Cons. | Cons. |

- W -

144 Can 444

COMPOSITE PRICES

gve a secu-

?rime ladur

bmislieve

ed to

was

i, and right ledge er in

· govnied at to urity

r the stem cabitical

iraft judi: reet

that ants

onal Sen-

4 pm close May 18

Le Petite
Ladd Fern
Laco Fern
Laco Fern
Laco Fer
Lancester
Lacourte
Landredoph
Leseroope
Lamice 5
Lacourte
Landredoph
Leseroope
Lamice 5
Lacourte
L

Fig. 17 10 8 7¹4 7¹2 + ¹4 Fart Do 0.24 8 28 7¹4 6¹4 6¹5 - ⁵8 Fastonia 0.03 40 580 25 26¹4 24¹2 + ¹1 RiP vit 25 5437 25¹4 24 25¹4 + ¹1 RiP vit 25 5437 25¹4 24 25¹4 + ¹1 RiP vit 26 5437 25¹4 24 25¹4 + ¹1 RiP vit 27 18 26 18 24 25¹4 + ¹1 RiP vit 27 18 26 18 27¹4 27

Eugle Pot
East Cry
Ea

250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 250

08. E 108a Mah Law Last Camp

16 135 6 8½ 8½ ½

0.09 8 145 7½ 8% 7½

47 465 25½ 2 12 2½ +1½

0.12 1 14 4½ 4 24

111 1217 29½ 28½ 29½ +½

102 453 5½ 4¾ 3½ +½

9 4 7¼ 6½ 7¼ +½

0.20 16 72 25¾ 25 25¼ -½

0.54 13 11 30½ 253½ 30¾ +1

2 0.12 14 461 16 17 17¾ +¾

55757116½ 17½ 18 +½

9 13 29 0½ 0 6 -½

10 20 18 20 2½ 21½ 1½ 1½

10 20 18 20 2½ 21¾ 1½ 1½

10 25 865 11¾ 11 11¼ -½

12 8436 13¾ 13½ 13½ 13½

6 4836 13¾ 13½ 13½ 13½

12 8436 13¾ 13½ 13½ 1½

12 8436 13¾ 13½ 13½ 1½

12 8436 13¾ 13½ 13½ 1½

13 25 845 11¾ 11 11¼ -½

14 40 4781 160½ 57 60 +3¾ - R -

21 375 a22 22 22¹2
16 468 14¹4 14 14¹2
15 5 264 7¹4 6⁷6 6⁷6
1 26 245 16 17¹4 17⁵6
1 26 245 16 17¹4 17⁵6
1 9 992 6¹2 d6 6¹2
16 15 42 3⁷6 3¹2 6¹2
1 9 992 6¹2 d6 6¹2
1 25 16 12¹2 11¹2 12¹6
1 193 10 2340 58¹4 37¹6 57¹4
1 4 215 5 64¹2 4¹6
1 4 215 5 64¹2 4¹6
1 4 215 7 38¹2 267¹2 38¹2
16 140 15 1137 54¹4 653¹4 53¹2
16 140 15 1137 54¹4 653¹4 53¹2
16 140 23 175 54¹4 653¹4 53¹2
16 16967 13⁷6 13⁷6 12⁷6
1 0.60 23 175 16 17¹2
1 6 4967 13⁷6 13¹6 15¹6
1 0.40 12 2490 18¹4 15 16
1 0.40 14 193 18¹2 16 19
13 3389 6⁷6 6¹8 8⁷8

- u -

GET YOUR FT BY HAND DELIVERY IN STOCKHOLM.

1484, 1104, 1494, Corp
289, 2242, LUB Fro
31, 485, 16766, 41,
114, 5, 1686 Corp
324, 244, 1687 inc.
511, 49, 1686 Corp
325, 274, 168 Corp
44, 13, 168 corp
45, 186 Corp
46, 25 Corp 1, 186 240, 0 27, 74, 076, 7
285, 277, 186 Corp
48, 412, 186 Corp
326, 186 Corp
327, 186 Corp
328, 186 Corp
329, 186 Corp

AMEX COMPOSITE PRICES

Health Cla Healthreat Heise Cp Historyen Hornstein Hornstein

Latherge
Later Ind
Lyoch Cp
Later Ind
Lyoch Cp
Measurin
Medie A
Attent Co
Moog A
MSR Expl

0.70 17 395 2434 2432 2432 0.78 25 117 1934 1834 19 10 2030 134 18 34 +18 14 0 412 472 472 0.34 2 1075 418 4 478 +18

0.01 0.20 15 21 11

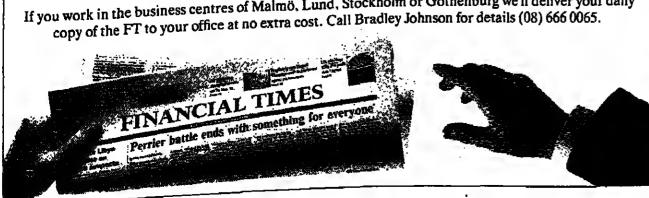
Eastn Co Entigroup Eitho Bay Ecot En A Edicto Engy Serv

李字

A. 10 A. 10

Odolica A Dictor X Pegasus (Peth 1852 Phil LD Pithwy A Pty Geno : PMC Presidio A

If you work in the business centres of Malmö, Lund, Stockholm or Gothenburg we'll deliver your daily



Times

| Part | See | Se 27% 17% Wass indext
28 1111 027% 28% 37% +112
31% 32% Wil-Haden
1.50 1.5 13 102 24% 32% 35% -12
40% 32% Wil-Haden
1.50 1.5 13 102 24% 32% 35% -12
40% 32% Wil-Haden
1.50 1.5 13 102 24% 32% 35% -12
40% 32% Wil-Haden
1.50 1.5 13 102 24% 32% 35% -12
40% 32% Wil-Haden
1.50 1.5 13 102 24% 32% 35% 35% -12
40% 32% Wil-Haden
1.50 1.5 13 102 24% 32% 35% 35% -12
55% 35% Wilhard
1.50 1.5 12 2030 37% 35% 35% -14
55% 25% Wilhard
1.50 2.5 13 270 25% 25% 25% -14
55% 25% Wilhard
1.50 2.5 13 270 25% 25% 25% -14
55% 25% Wilhard
1.50 2.5 13 270 25% 25% 25% -14
55% 25% Wilhard
1.50 2.5 13 270 25% 25% 25% -14
55% 25% Wilhard
1.50 2.5 13 270 25% 25% 25% -14
55% 25% Wilhard
1.50 4.5 13 22 25% 13 270 25% 25% -14
55% 25% Wilhard
1.50 4.5 13 25% 27 22% 21% 24% -14
55% Wilhard
1.50 4.5 13 25% 25% 25% -14
55% 25% Wilhard
1.50 4.5 13 25% 25% 25% 25% -14
55% 25% Wilhard
1.50 4.5 13 25% 25% 25% 25% -14
55% 25% Wilhard
1.50 4.5 13 25% 25% 25% 25% -14
55% 25% Wilhard
1.50 4.5 13 25% 25% 25% 25% -14
55% 25% Wilhard
1.50 5.4 25% 25% 25% 25% 25% -14
55% 25% Wilhard
1.50 5.4 25% 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.4 25% 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25%
55% 25% Wilhard
1.50 5.5 25% 25% 25% 25%
55

- C -

Harding A 21 78 10 9 8
Harding A 21 78 10 9 8
Harding A 20 16 264 30 26 26
Harper Sp. 120 80 65 13¹4, 14¹2 15¹4, 180 6 00 030 26 463 22²4, 20¹2 21²4, Heolaticar 13 2563, 14¹4, 13¹5, 13¹4, Heolaticar 12 256, 14¹4, 13¹5, 13¹4, Heolaticar 12 252, 7¹4, 5¹4, 6¹4, 14¹5, 14¹4, Heolaticar 10 256 7 6¹4, 6¹5, 25¹4, Heolaticar 10 65 27¹4, 25¹4, 25¹4, 14¹5, 15¹4, 14¹4, 15¹4, 15

a 51 9022 138 14 37 15 37 14 0.12 25 3310 25 18 18 16 14 4 1 1 0.13 43 3 83 78 63 41 1 17 203 3 1 2 1 2 3 1 3 1 1 1 16 352 6 1 4 4 5 5 4 1 1

32.) Smark 22 100 13¹₈ 12³₈ 12³₈ 12³₈ 12³₈ 12³₈ 12³₈ 12³₈ 10 ...³₂ ...
Lis ind 0.25 54 155 14²4 13³2 14³4 ...
Joinson W 22 20 19 18¹2 18¹2 ...
Jones int 4 385 12 11¹4 11¹2 ...³g

11.17

ark.

19 687 191₉ 187₉ 191₈
0 18 11₄ 11₅ 11₄
023 8 4 1174 115 115
020 23 383 345 346 342
4 18 375 346 342
22 142 154 15 153
2 189 4¹2 4¹4 4¹2

the lex

LitdFoodeA DiziFoodeS Lini+Ports US Cellul Westaster WiziET Worthen x

Higher interest rate fears unnerve Dow

Wall Street

ANOTHER rise in bond yields combined with concerns about inflation to leave US sbare prices mixed-to-lower yesterday morning, writes Patrick Harverson in New York.

At 1 pm. the Dow Jones industrial Average was down 14.40 at 3,435.53. The more broadly based Stan-dard & Poor's 500 was 0.48 lower at 439.91, while the Amex composite was down 0.29 at 427.17, and the Nasdaq composite up 2.61 at 680.57. Trading volume on the NYSE was 149m shares by 1 pm.

The dominant coocern of the markets remained inflation and interest rates. Since last week's poor consumer and producer prices data, long term bond yields have risen from 6.8 per cent to almost 7 per cent.

This rise in yields bas unnerved equity investors, who fear that higher interest rates may be around the corner, primarily because the Federal Reserve may react to rising inflation by tightening monetary policy. Higher rates would hioder corporate profit-ability, and make equities con-

siderably less attractive rela- \$1 of \$68. tive to other financial assets.

It was these concerns that kept blue-chip stock prices in check yesterday. They also prevented the broader market from making up any ground, although secondary stocks traded on the electronic Nasdaq market managed to post some solid gains.

The day's only economic news - a 6.7 per cent increase in April housing starts - was in line with expectations, and bad little effect on the market.

Hewlett-Packard soared \$51/2 to \$85% in volume of 1.7m shares after it announced stronger than expected net income of \$1.38 a share for the fiscal second quarter. At the same stage a year earlier the company earned \$1.27 a share.

The news from Hewlett-Packard buoved other computer stocks. Compaq advanced \$1% to \$55, IBM added \$1% at \$48%. Motorola rose \$2% to \$78% and Digital Equipment firmed \$% to \$46%.

The main indices would have been higher but for sizeable losses in selected big stocks, including Ford, down 821/4 at \$52%, Philip Morris, \$% lower at \$50% and Caterpillar, down

Home Depot was another stock lifted by good earnings news. The retailer rose \$\$% to \$43½ in volume of 1.3m shares it reported first quarter profits of 24 cents a share, well up on the 18 cents a share earned a

Cummins Engine plunged \$5% to \$86% after brokerage bouse Prudential Securities lowered its rating on the stock from "buy" to "hold" following the recent release of disappointing truck orders figures.

TORONTO's upward drive in golds offset softness on Wall Street. The precious metals index rose another 132.39, or 1.6 per cent at midday to 8,376.03 as bullion passed the \$370 per ounce level.

The TSE-300 index edged up 2.17 to 3794.65 in volume of 30.15m sbares valued at C\$290.8m. American Barrick led gold gainers, rising C\$1/4 to

Traders said that gold's strength helped to limit pre-Ontario budget doldrums which bung over the market in

ASIA PACIFIC

Tokyo dips 1.6 per cent on futures-led activity

PERSISTENT futures sales sparked unwinding of arbitrage positions in the cash market, leaving equities 1.6 per cent lower in light trading, urites Woyne Aponte in Tokyo.

The Nikkei average was down 336.12 at 20,229.39, after moving between a low of 20,155,10 and high of 20,502,46. The Topix index of all first section stocks lost 21.97 at 1,589.28, but in London the ISE, Nikkel 50 Index was 0.25 firmer

at 1,223.69. First section volume came to 370m shares, up from Monday's 328m, while declines overivbelimed advances by 907 to 163, with 106 issues unchanged.

Brokers sald that, from the outset of trading, no major buyers were present in the market. Without buy orders from government-managed public funds, known to serve normally as a cushion for the Nikkel average on dips, equity prices might have declined further, brokers added.

Increased futures activity is expected as investors attempt to protect themselves against further Nikkei declines in a market which provides scant incentives for inward invest-

However, said brokers, many institutional investors, including life Insurance companies. brokerages and Japanese corporations, were likely to enter the stock market more aggressively if the Nikkei trades below 20,000.

An analyst at a UK stockbroker commented that investors are reacting favourably to any positive developments in sectors or individual issues.

In spite of the day's declines, shipbuilding shares rose on a report about a major conference among Asian countries concerning tanker safety, which implied that new ships

NATIONAL AND REGIONAL MARKETS

Australia (68 Austria (18)...

France (98

New Zealand (13)

might be bought in the future. Equally, news of an increase in tbe percentage of dollar denominated contracts, which will belp domestic operators in international bids, aided the

building rose Y4 to Y452, Hltachi Zosen Y10 to Y583 and Sasebo Heavy Y10 to Y558.

Nippon Telegraph and Tele-Y22,000 to Y975,000. The weakness of that telecommunication group spread to electrical wire and cable issues. Sumitomo Electric Industries declined Y50 to Y1,130. Fujikura Y23 to Y997 and Furukawa Electric

Y24 to Y687. Consumer electrical Issues lost ground, Ploneer Electronic weakening Y160 to Y2,400, Sony Y70 to Y4,650 and TDK

declined by about 2 per cent Nomura slipping Y50 to Y2,110, Dalwa Y50 to Y1,260 and Nikko Y20 to Y1,040.

ended 275.76 lower at 22,552.98

THERE WERE fresh record highs in Hong Kong and Singa-

peak on optimism over Sino-British talks; negotiators from both sides are due to meet in Beijing on Friday for a further round of consultations. The Hang Seng index closed 25.18 higher at 7,149.30. Turnover was also a record - HK\$8.1bn

against Monday's HK\$7.7bn. dipped 10 cents to HK\$19.90.

Mitsui Engineering and Ship-

Profit-taking cut the gains of hone, which relinquished

Y60 to Y3.840.

The brokerage sector

in Osaka, the OSE average in volume of 17m shares.

pore. New Zealand was closed owing to technical problems. HONG KONG hit its new

Performance of hlue chips varied, brokers said. Cbeung Kong was targeted by profit-takers and shed 40 cents to HK\$27.20. The most active stock, Hutchison Whampoa,

MONDAY MAY 17 1993

95.56 113.96 128.34 101.52 121.07 120.35 103.86 123.63 120.30 89.09 106.24 119.81 155.52 185.46 186.30 64.42 76.82 106.74 106.88 127.47 128.48 79.38 93.46 203.27 242.43 286.36 113.70 135.59 150.40 48.94 58.37 76.71 100.78 120.20 100.78 234.25 279.37 328.81 1040.93 1241.37 5052.41 116.80 139.29 137.03 33.42 39.88 46.41 112.48 134.14 148.33 175.36 209.12 185.13 134.69 160.83 195.37 90.74 108.21 120.85 139.85 85.39 101.84 110.45 125.20 149.31 171.88 125.20 139.31 171.88 125.70 179.91

-0.8 139.94 101.94 121.57 132.39 -0.8 181.56 117.69 140.36 160.32 -0.1 142.28 103.65 123.60 107.16 -0.3 141.21 102.85 123.60 177.16 10.2 170.77 124.41 146.37 175.61 -1.0 120.33 87.67 104.56 110.28 +0.5 191.15 131.98 157.39 171.05 -0.3 141.78 103.29 123.18 120.07 -0.1 149.68 109.04 130.04 135.23 -0.1 151.50 110.37 131.63 138.09 -0.1 160.43 116.87 139.39 159.43

nt name change: Sungei Besi Mines to Kelanamas Inda. Bhd. (Malaysia) Norwegian market closed 17/5.

Copyright, The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited. 1987

-0.7 131.19 +0.6 139.36 -0.5 142.32 -0.9 122.31 -1.4 213.49 -1.3 88.43 -1.4 146.75 -1.3 107.55 -0.3 156.08 -0.2 97.19 -0.1 138.35 +0.5 321.59 +0.4 154.40 -0.4 240.73 -0.3 184.91 -0.4 171.21 -0.4 171.88 +0.4 17.21 +0.0 171.88 +0.2 173.99

The World Index (2184)..... 156.79 -0.1 151.63 110.46 131.73 138.58

Market laggards such as China Light benefited from bargain hunting and the stock improved 50 cents to HK\$39.

SINGAPORE rebounded strongly from Monday's profit taking as the Straits Times Industrial index peaked 31.74 higher at 1,878.01 in volume of 365.6m shares,

Brokers said demand for speculative Malaysian and second and third line Singapore

stocks was strong.
TAIWAN recovered from Monday's losses, with strong performances noted from Formosa Plastics, up T\$1.10 at T\$44.20, and China Steel, which appreciated 80 cents to T\$21.90. The weighted index improved 35.28 to 4,495.39. Turnover amounted to T\$23bn, against a previous T\$23.9bn.

MANILA lost ground after opening higher with the aid of firm mining issues. The composite index dipped 19.90 to 1.596.14 in turnover down 398m pesos from 555m.

Philippine Long Distance Telephone receded 20 pesos to AUSTRALIA fell at the close

as investors reacted to weak-ness in the Australian dollar against the US currency. The All Ordinaries index shed 9.0 to 1,677.9 in turnover of A\$307.3m. In the banking sector, ANZ was steady at A\$3.55 after selling its 7 per cent stake in Challenge Bank for A\$2.48 a share. BANGKOK was lower following beavy losses among build-

ing materials companies. The

SET index fell 8.62 to 872.96 in

moderate turnover of Bt3.1bn. **SOUTH AFRICA**

FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited in conjunction with the institute of Actuaries and the Faculty of Actuaries

GOLDS drifted lower as bullion prices held steady, showing no inclination to test the \$370 an ounce level. The golds index retreated 46 to 1,604 but industrials rose 27 to 4,470. The overall index was 19 down

Gold bugs throw caution to the winds

Bernard Simon on the North American expression of the gold price phenomenon

Before the latest spurt in the gold price, many North American ana Mines, whose earnings stand to lysts were urging investors in gold mining shares to be cautious. Handsome profits could already be taken, and the value of most companies' ore reserves less production costs did not appear to justify the heady level of share prices. That advice has gone

unheeded in the past week. The surge in the gold price to almost \$370 an ounce has uncorked yet another buying binge in the stock market. The climb in North Ameri-

can gold shares has far outstripped the bullion price. The Toronto Stock Exchange's gold and silver index spurted ahead by 11.5 per cent last week. At its closing level of 8,234 on Monday, the index had risen by 57 per cent so far this year, and by 67 per cent since the start of 1992.

The most popular shares have been those with the highclimb by 50 per cent for each 10 per cent rise in the gold price, jumped C\$4.25 last week to C\$14.25 in exceptionally heavy trading. Homestake Mining, which has only a slightly lower leverage, has forged ahead in less than a year from US\$9.63 to US\$17.88 on the New York

Gold bugs have latched on to spate of positive signals to justify their bullishness. Mr George Soros, the heavyweight New York investment fund manager, appeared to demon-strate his faith in the yellow metal last month by buying a stake in Newmont Mining from Sir James Goldsmith. The fire was then stoked by Sir James buying a hig chunk of gold call

The bullion price has been propelled further by early signs of an upward blip in the inflation rate, and hy

acquisition of YSL, thereby

creating the world's third larg-

est beauty products group.

MILAN staged a broad

advance as the strength of the

lira again prompted hopes that

the Bank of Italy would act

soon to cut interest rates. The

Comit index rose 4.64 to 544.19.

picked up later. Fiat shed L224

to fix at L6.327 before rebound-

ing to L6.644 after hours with

investors expecting the board to cut the dividend at the end

Foreign demand help Credito

Italiano and BCI to exteno

Monday's gains, Mr Romano

Prodi, appointed chairman of

Iri at the weekend, is expected

to expedite privatisations. Cre-

dito added L166 or 6.6 per cent

of the month.

The market began weak but

finished

per cent



reports that demand for high carat gold jewellery has risen sharply in China and India over the past 18 months.

Mr Warren Myers, an analyst at Merrill Lynch in New York, has yet to be convinced that higher inflation - the engine of four of the gold sector's five past bull markets - is imminent. But he has little doubt that technical indicators are pointing to a "genuine turnround" in the gold market. There must be something

new brewing which, stupidly, I have not yet seen," he says. Although caution remains his watchword, Mr Myers is advising clients to hang on to such gold blue chips as American Barrick and Piacer Dome.

Thanks to the industry's most extensive hedging programme, Barrick is guaranteed a price of at least \$400 an ounce for its entire 1993 and 1994 output. It realised an average price of \$410 an ounce in the first quarter of this year, compared to the Comex average of \$330. Earnings are thus well protected against a possible reversal in the bullinn

Other analysts see little value in current share prices. Mr Barry Alian, at Barclays de Zoete Wedd in Toronto, says it may be "a couple of years" before the hullion price

reaches the levels of \$400 an ounce and shove now being discounted by the stock market. If the gold price does keep rising, Mr Allan worries that investors may be tempted to switch from equities to the commodity markets.

lew would be boid enough to assert that shares have reached a celling for the time being. But recent buyers of North American gold mining stocks will probably need a sharp eye a hard stomach and nimble foot work to ensure a decent return on their investment.

Igap pror

of row w

Trading on Monday this week demonstrated that the relatively small market in gold mining shares, estimated by one analyst at \$40bn to \$50bn worldwide, can be as volatile coming down as going up Although the Comex June contract lost only 30 cents to \$368. Toronto's gold and silver index slipped hy 1.5 per cent.

Zurich registers second consecutive record

THE Danish Maastricht vote was given credit yesterday for bourses which, on examination, seemed to be climbing for reasons of their own, writes Our Morkets Staff.

ZURICH reported institutional and options-related buying which took the SMI index up 21.7 to a second consecutive

record close of 2.226.7. Foreign investors were also active buyers on the view that the market is currently undervalued. The firmer dollar encouraged demand for chemicals issues while lower interest

rates belped financials, Roche certificates were the most activley traded issue, gaining SFr40 to SFr4,630, Sandoz registered shares found renewed demand adding SFr70

to SF13,070. Among financials, UBS bearers rose SFr14 to SFr967 while Zurich Insurance, expected to benefit strongly from a US economic pick-up, added SFr40 to SFr2,290. Winterthur Insurance registered shares rose SFr20 to SFr3,260 as it announced plans convert non-voting participation certificates into registered shares and to split its

resistered and bearer shares. MADRID returned to the upgrade, the general index closing 3.93, or 1.6 per cent higher at 256.89. Turnover rose from Pta20.2bn to an estimated

interest rate sensitive stocks did well, BBV rising Pta75 to Pta3,145 among rising banks and Iberdrola by Pta23 to Pta748 in a relatively more buoyant utilities sector.

Among builders and electri-cals, Huarte, the subject of takeover speculation, put on Pta85 at Pta557 with more than 1/2 Mm shares traded. Cristaleria gained 5.1 per cent, and Agro-

man 3.5 per cent.

PARIS regained some ground in technical trading after recent weakness, but interest remained subdued holiday. The CAC-40 index improved 10.68 to 1,846.40 after a day's high of 1,861. Turnover was strong at FFr3.8bn. BSN went against the rising

trend on plans to cut prices in an effort to retain market sbare for its products in Europe, where it ranks third behind Nestlé and Unilever. Some analysts commented that the group, with relatively neg-

+0.2 2.84 179.55 173.03 125.88 149.55 179.55 186.27 +0.0 3.36 145.53 140.24 102.02 121.21 132.37 146.02 -0.4 1.56 168.04 151.83 177.80 139.96 160.91 169.44 +9.4 1.11 147.20 141.85 103.19 122.60 106.76 150.03 +0.2 2.02 148.39 141.07 102.62 121.92 117.75 148.94 +0.2 2.84 176.29 169.88 123.59 145.85 175.32 182.39 -0.2 2.93 125.66 121.10 88.11 104.69 110.55 128.65 +0.4 3.19 186.44 179.88 130.72 155.30 170.32 187.31 +0.2 2.05 147.00 141.68 103.06 122.44 119.83 149.39 +0.2 2.18 154.93 148.30 106.61 129.05 134.99 157.19 +0.2 2.35 156.79 151.10 109.93 130.60 137.91 158.98 +0.1 3.02 186.01 156.98 116.39 130.29 152.24 168.09

+0.2 2.35 156.93 151.23 110.01 130.71 138.31 159.07 137.32 142.83

dollar exposure, was it very difficult to volume growth ont of	FT-SE	Actu	arie	s Sh	are	Indi	ces	eşs.	
is divisions. The shares	May 18 Hourly changes	Open	10.30	11.00	12.00	13.09		UROPEA 15.08	
inofi roseFFr41 or 4.6 t to FFr935 as share-	FT-SE Eurotrack 100 FT-SE Enrotrack 200			1154.13 1221.14					
finally approved the		May	17	May 14	Ma	y 13	May 1	2 1	lay

FT-SE Eurotrack 100 200 value 100; 75570,500 High-day 100 - 1154,58, 200 - 1203,73 Lowellay: 100 - 1152,77 200 - 1217,20 to L3,093 while BCI put on L219 or 4.2 per cent L5,427.

Among telecoms, which are seeing strong foreign demand. Sip rose L19 to fix at L1,956 before L1,974 after hours while Stet, its parent company, cipped L39 to L2.960 but picked up to L3.050 on the kerb.

FRANKFURT saw a continued downward drift in bond prices as the repo rate stayed at 7.60 per cent and the DAX index ended flat, closing 0.60 higher at 1,625.48 after an opening rally to 1,636.09.

Turnover recovered from DM4.7bn to DM5.7bn. Company news meluded a 10 per cent drop in first quarter sales at the tyremaker, Continental, but the company said that it would try to pay a dividend in 1993 and the shares rose DM2.80 to DM198.80.

A drop in profits at Degussa, the chemicals, metals and pharmaceuticals group, left it DM4.50 lower at DM329.50. Meanwhile, the threat of a dividend cut at Altana, the chemicals and pharmaceuticals group, left the shares DM5 lower at DM535.

AMSTERDAM saw falls in Unilever, off Fl 1.80 at FI 193.20. which reflected the BSN news and Pakhoed, down Fl 1.40 to Fl 36.60. after it forecast a sharp fall in first half 1993 prof its. The CBS Tendency index.

closed 0.2 lower at 106.3. STOCKHOLM was active in Volvn, which lost SKr8 to SKr400 following bigger than expected first quarter losses. However, a strong performance from Ericsson, up SKr7 to SKr313, supported the overall market as the Affärsvärlden general Index ended unchanged at 1,083.2. Turnover rose to SKrl.4bn from Monday's SKr1.3bn

HELSINKI rose by 3 per cent on hopes that the threatened strike in the country's export sector would not start today. The HEX index jumped 34.00 to 1,184.7 after a 1.2 per cent fall on Monday.

WARSAW resumed its climb: after a drop on Monday, the WIG index soaring by 237.2, or 8.2 per cent to 2,748.8 in turnover of 261.7bn zloty.

ISTANBUL's slide continued with a further loss of 25 per: cent in the 75-share index, down 205,25 at 8,024,66.

What does a cellular call in

We're involved in both. As the need for advanced communications grows worldwide, Southwestern Bell Corporation is growing internationally to meet it. We're now the 95rd largest company in the world. doing business on five continents. And a few islands.

We're in Mexico, where we have controlling interest in Teléfonos de México with our partners, Grupo Carso and France Telecom. Over the oext four years, Telmex is investing nine billion dollars in cellular and other network upgrades.

We're in the U.K., where we provide cable-television and telephone services to eight markets. That makes us one of the top three cable providers in the country.

We're in Australia, as partners in Pacific Access, a company which produces, distributes, and markets Yellow Pages directories.

We're in Israel, where our interests are in cable networks, telephone directories, and directory software. And in the U.S., we provide more than 10 million people with cellular communications and network telephone service and equipment.

From wireless personal communications to advanced fiber-optic networks, we have the technology to help people communicate better around the world. It's nice to feel welcome in so many places.

First Qua	rter 1993	Result	S
Sales (000,000) Net Income (000,000)* Earnings per Share' Assels (000,000) Access Lines (000)	1993 (unaudiled) \$2,457.8 \$302.5 \$1,01 \$24,331.9 12,961	1992 \$2,287.1 \$261.6 \$.87 \$23,810.0 12,530	% Chg. 7.5 15.6 16.1 22 3.4
Cellular Customers (000) 1993 net income and earnings million and cumulative effect of	1.513	1 023	470

Southwestern Bell Corporation

"The One to Call On"sw

For more information about SBC, please contact Director-Investor Relations, 175 F. Houston, Rm. 8-A-60, San Antonin, TX 78205, U.S.A. Tel: (210) 551-2044 or T.R. Dawson & Go., World Trade Centre, London, England 9AA, U.K. Tel: (071)588-2453.